Court File No. CV-23-00703161-00CL
Court of Appeal File No. COA-23-CV-1129

COURT OF APPEAL FOR ONTARIO

IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED

B E T W E E N:

ROMSPEN INVESTMENT CORPORATION

Applicant (Respondent on Appeal)

\- and -

TUNG KEE INVESTMENT CANADA LTD. and TUNG KEE INVESMENT LIMITED PARTNERSHIP

Respondents (Appellants on Appeal)

MOTION RECORD OF THE MOVING PARTY, ERNST & YOUNG INC.
(Receiver's Motion for Directions Before a Single Judge
of the Court of Appeal returnable November 9, 2023)
[VOLUME 3 OF 4]

November 1, 2023

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Ernst & Young Inc.

TO: SERVICE LIST

Court File No. CV-23-00703161-00CL
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COURT OF APPEAL FOR ONTARIO

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\- and -

TUNG KEE INVESTMENT CANADA LTD. and TUNG KEE INVESMENT LIMITED PARTNERSHIP

Respondents (Appellants on Appeal)

INDEX

Appendix “F”

Court File No. CV-23-00703161-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 C. C.43, AS AMENDED

B E T W E E N:

(Court Seal)

ROMSPEN INVESTMENT CORPORATION

Applicant

\- and -

TUNG KEE INVESTMENT CANADA LTD. and
TUNG KEE INVESTMENT LIMITED PARTNERSHIP

Respondents

AFFIDAVIT OF WESLEY ROITMAN

(Sworn September 29, 2023)

I, WESLEY ROITMAN, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

I. INTRODUCTION

1. I am the Managing General Partner of the Applicant Romspen Investment Corporation ("**Romspen**") and have knowledge of the matters to which I hereinafter depose. Where my knowledge is based on information and belief, I have stated the source of my information and believe it to be true.

2. This Affidavit supplements my Affidavit sworn on July 19, 2023 ("**First Affidavit**") and replies to the affidavit of Philip Wong sworn September 26, 2023 (the "**Wong Affidavit**") on behalf of SOW Capital. Capitalized terms not otherwise defined herein have the same meanings given to them in my First Affidavit.

3. I am swearing this Affidavit in support of a motion for an order approving the transaction (the "**Transaction**") contemplated in an agreement of purchase and sale received by Romspen (as trustee under power of sale) from Times 1010 Inc. ("**Times**") dated September 15, 2023 (the "**Times APS**").

4. The Times APS was provided to Romspen in the context of Romspen's pending application to appoint Ernst & Young Inc. as receiver and manager of all of the assets, undertakings and properties of the Debtors.

5. Times' obligation to complete the Transaction is subject only to the issuance by this Court of: (i) an Order appointing Ernst & Young Inc. as receiver and manager of the Debtors; and (ii) an Order vesting in Times or to whomever it may direct, all of the right, title and interest of the respondent, TKIC, in the Property, free and clear of all Encumbrances except for the Permitted Encumbrances (as those terms are defined in the Times APS).

II. MARKETING AND SALE PROCESS

6. In early April of 2023, Romspen engaged Frank Cormaggi and Laura Cormaggi ("**Cormaggi**") of Royal LePage to list the Property for sale under power of sale. Marketing commenced on April 4, 2023. On that date, the Property was listed on MLS for a price of $69.5 million.

7. In addition, according to the Wong Affidavit, the Debtors, with Philip Wong's assistance, and SOW Capital, have been trying to sell the Property or refinance it since January of 2022.

8. I am informed by Cormaggi that she and Royal LePage marketed the Property extensively through the following means:

- A 6 x 8 for sale sign was erected at the intersection of the Property. The sign was highly visible and generated numerous calls and inquiries to Cormaggi. A photograph of the 'for sale' sign is attached as **Exhibit A**;

- An advertisement was placed on Cormaggi's business website, cormaggigroup.com, commencing April 4, 2023;

- Marketing brochures were prepared, copies of which are attached, collectively, as **Exhibit B**;

- An email announcement was sent by Royal LePage to its subscribers of all new listings, including the Property. One email announcement was made when the listing went live on April 4, 2023. A second email announcement was made when the price was reduced to $64.5 million on July 12, 2023;

- An email blast was sent by Royal LePage's commercial department ("**Royal LePage Commercial**") on June 29, 2023 to: (ii) 1026 recipients who are cooperating brokers and regional broker owners, and (ii) 201 land developers in Ontario. Of the recipients, 540 brokers and 70 land developers opened the email;

- Royal LePage's mandarin speaking agent advertised the Property to Asians in Canada through advertising the Property on Real Master (i.e. a search engine) and Redbook App. The advertisement was viewed 126 times, shared seven times, and saved one time;

- The Property was advertised on four social media sites: Facebook, Instagram, LinkedIn and the Royal LePage Commercial website;

- Royal LePage's broker and owner, Vivian Risi, sent three personal emails to three prominent land developers;

- Cormaggi emailed Property information and non-disclosure agreements to her personal database of 16 professionals, land investors and builders, resulting in two signed non-disclosure agreements;

- Cormaggi emailed the Property information, MLS listing, and NDA to 40 recipients who are prominent land developers in Canada. This resulted in two offers received, one of which was accepted, being the Times APS;

- The Property was advertised on over 100 websites, including LoopNet Commercial Company/Co-Star Group, showcase.com, squareyards.ca, and Zolo. As of July 2023, Co-Star had 5,472 views. As of September 18, 2023, Co-Star had 9,118 views; and

- Statistics from realtor.ca, the largest online search engine for real estate in Canada, reflect that the Property was viewed 6,309 times on 32 sites.

9. In connection with the above-noted marketing efforts, I am informed by Cormaggi that 40 NDAs were signed. Six offers (the "**Offers**"), including the two offers described in my First Affidavit, and one letter of intention were received. All of the offers which were from prominent and reputable land developers in Canada. I am informed by Cormaggi that she maintained ongoing communications with prospective buyers and kept them apprised of all developments.

10. The Offers and letter of intention are attached, collectively, as **Exhibit C.** Unredacted copies of the Offers and letter of intention are attached, collectively, as **Confidential Exhibit 1**. To avoid duplication, the Offers attached as Exhibit C and Confidential Exhibit 1 do not include the Times APS, which is attached below, the agreement that Romspen accepted on May 1, 2023 which the buyer terminated, which is attached in redacted form as Exhibit 51 and in unredacted

form as Confidential Appendix A to my First Affidavit, and the subsequent lower offer from that same buyer, which is attached in redacted form as Exhibit 53 and in unredacted form as Confidential Exhibit B to my First Affidavit.

III. THE TIMES APS

11. The Times APS represents the highest and best offer received through Romspen's marketing and sale process. A redacted copy of the Times APS is attached as **Exhibit D.** An unredacted copy of the Times APS is attached as **Confidential Exhibit 2A**.

12. Times is a land developer carrying on business in Ontario. It has carried on business for over thirty five years, with numerous commercial and residential developments completed and/or underway throughout the Greater Toronto Area. A copy of Times' portfolio retrieved from its website is attached as **Exhibit E**.

13. Times has provided Romspen with a letter from its bank confirming that Times has the financial wherewithal to close the Transaction. A copy of the letter dated September 28, 2023, received by Romspen from Scotiabank is attached as **Exhibit F**.

14. The Times APS provides for a closing date of November 15, 2023. On September 29, 2023, Times waived the due diligence conditions, and the Times APS went firm, subject to the appointment of Ernst & Young Inc. as receiver and manager of the Debtors and the issuance of an order approving the sale, authorizing the Receiver to complete the Transaction, and vesting title to the Property in Times. A redacted copy of the amendment to the Times APS dated September 29, 2023, pursuant to which, among other things, Times waived the due diligence condition, is attached as **Exhibit G**. An unredacted copy is attached as **Confidential Exhibit 2B**.

IV. SOW CAPITAL'S OPPOSITION

15. Philip Wong, a director of SOW Capital, swore the Wong Affidavit in support of SOW Capital's motion for an Order permitting it to complete a sale of the Property to 2816513 Ontario Inc. ("**281**") pursuant to an agreement of purchase and sale dated July 18, 2023 (the "**SOW APS**"). Although not included in his affidavit, the SOW APS was amended by amendment dated August 17, 2023 (the "**SOW Amendment**"), a copy of which is attached as **Exhibit H**.

16. Wong deposes at paragraph 22 of the Wong Affidavit that "save and except for completing the sale of the Property pursuant to the SOW APS and realizing on its investment/mortgage, Sow has no interest in the Property after the closing." It is unclear to me what he means in reference to "investment."

V. CONCERNS OVER THE SOW APS

a. Relationship among the Debtors, Wong and SOW Capital

17. Based on the documents discussed below, there appears to be a relationship (beyond mortgagee-mortgagor) between Wong, SOW Capital, and the Debtors.

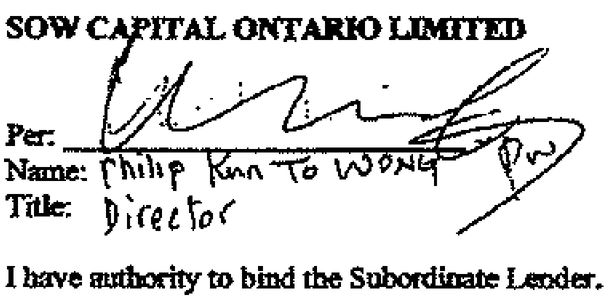
i. Wong is a Director of SOW Capital and TKIC

18. Wong appears to be a director of both SOW Capital and TKIC.

19. As appears from a corporate profile report in respect of TKIC, an individual named Philip Kun To Wong ("**Kun To Wong**") is recorded as a director of TKIC, with a beginning date of August 30, 2019, and a residential address in Hong Kong. A copy of TKIC's corporate profile report is attached as Exhibit 2 to my First Affidavit.

20. As appears from a corporate profile report in respect of SOW Capital (the fifth mortgagee), Philip Wong is recorded as a director and the President of SOW Capital, with a beginning date of December 24, 2019, and a residential address in Hong Kong. Philip Wong's recorded address on the SOW Capital corporate profile report is different than the address recorded for Kun To Wong on the TKIC corporate profile report. A copy of SOW Capital's corporate profile report is attached as **Exhibit I**.

21. Notwithstanding the different names and addresses recorded on TKIC's and SOW Capital's corporate profile reports, I believe the individuals are the same person because SOW Capital's signatory on the subordination agreement between it and Romspen is "Philip Kun To Wong". The subordination agreement is attached as Exhibit 47 to my First Affidavit, and the signature is reproduced below:


SOW CAPITAL ONTARIO LIMITED

Per: ____________________
Name: Philip Kun To Wong
Title: Director

I have authority to bind the Subordinate Lender.

ii. Wong and SOW Capital Have Pursued Development Approvals for the Property

22. A copy of a report to the Development Services Committee of Markham dated July 8, 2021 (the "**DSC Report**") is attached as **Exhibit J**. The purpose of this report is stated as follows:

> The purpose of this report is to provide comments to the Ministry of Municipal Affairs and Housing on a Minister's Zoning Order application submitted by Tung Kee Investment Limited Partnership representing SOW Capital Limited, on the property known as 3143 19th Avenue (the subject property).
>
> The applicant is proposing to advance zoning permissions through the MZO process to secure a production studio (film studio) and other employment uses, along with limited ancillary uses on the subject property. The lands in question are located within a Future Employment Area, as outlined in Markham's 2014 Official Plan, and the applicant is seeking land use permissions in advance of the Secondary Plan process143 19th Avenue (the subject property).

23. A copy of a slide deck with the words "DSC Presentation Thursday, July 8th, 2021" ("**SOW Capital's Slide Deck**") written on the first page, with SOW Capital Ltd. at the bottom of the page, is attached as **Exhibit K**.

24. This link provides access to a recording of a Zoom meeting of the Development Services Committee of Markham held on July 8, 2021. An individual named Philip Wong appears in the recording. At approximately 36 minutes and 30 seconds, Philip Wong begins presenting ("**Wong's DSC Presentation**"), although no audio begins until approximately 37:32 seconds. The slide deck (attached to this affidavit as Exhibit K) is shared on the screen. Philip Wong describes his experience with leading land development projects. He describes the proposed development for the Property and why he believes it is appropriate for the Markham community.

iii. Wong's Management Role Regarding the Property

25. In a letter dated November 23, 2022 from Jonathan Kulathungam ("**Kulathungam**"), then counsel to the Debtors, to David Preger ("**Preger**"), counsel to Romspen, Kulathungam provided Preger with an update on the Debtors' sale of the Property to Element. In the letter, Kulathungam enclosed an email from philip.wong@sowcapital.com.hk to Kulathungam and David Tang, both counsel to the Debtors. As appears from this email, Wong was involved in

negotiating the Debtors' sale of part of the Property to Element. A copy of the letter, and the enclosure, is attached as Exhibit 55 to my First Affidavit at pages 669 to 675 of the Application Record.

26. By email dated January 13, 2023, from Kulathungam to Preger and others, in relation to the purported sale of the Property, Kulathungam wrote: "**Phil Wong who as you may be aware, has been managing the entire project for the past several years, would be happy to be on the Zoom call or phone call to provide an update**." A copy of this email is attached as Exhibit 55 to my Fist Affidavit at page 708 of the Application Record.

27. By letter dated February 24, 2023, from Kulathungam to Preger, Kulathungam delivered what he called a "**summary prepared by Philip Wong of Tung Kee Investments Canada Ltd.**" A copy of this letter is attached as Exhibit 55 to my Fist Affidavit at pages 711 to 713 of the Application Record.

iv. The Nature of Their Relationship

28. Based on Wong's role as director of TKIC and SOW Capital, his presentations and pursuit of zoning approvals for the Property, I believe that he and SOW Capital are financially incentivized to have the Debtors develop the Property. It would belie common sense for SOW Capital to pursue development and zoning approvals with no financial incentive to do so.

b. The *Bona Fides* of the SOW APS

29. 281 is the buyer under the SOW APS. At paragraphs 22 to 25 of his affidavit, Wong deposes that 281 is closely related to Lee Li Holdings in Mississauga. He attaches corporate

profile reports of 281 and Lee Li International Inc. ("**Lee Li**") to demonstrate that the two entities share a common director, Lee Q Shim, and the same registered office.

30. As stated in my First Affidavit, on April 27, 2023, Preger received a letter from the Debtors' counsel, Ali Baniasadi of Miller Thomson LLP advising that TKIC had been negotiating a sale of the Property and was contemplating finalizing a purchase agreement. An unredacted copy of the letter is attached as Confidential Appendix E to my First Affidavit. Baniasadi identified the buyer as being Lee Li.

31. No purchase agreement was subsequently produced by TKIC to Romspen. No explanation was provided for why an agreement was never produced. Under three months later, SOW Capital, rather than TKIC, entered into the SOW APS to sell the Property to 281, rather than Lee Li, for a slightly higher purchase price.

32. Whereas the Debtors complained that Romspen's listing of the Property in June of 2023 (see paragraph 39 of my First Affidavit) was improvident, there has been no suggestion that the Debtors object to SOW Capital's sale of Property at a price that is lower than Romspen's listing price, and the purchase price under the Times APS. It belies common sense for the Debtors to object to Romspen's listing of the Property, but remain silent in regards to SOW Capital's proposed sale for a lower purchase price.

33. Overall, I have concerns about the *bona fides* of the SOW APS given: (a) the bizarre sequence of events regarding the overtures of an imminent agreement of purchase and sale between TKIC and Lee Li that was never produced, followed by the execution of the SOW APS under three months later with effectively the same buyer, (b) the Debtors' lack of objection to

SOW Capital's sale, and (c) the apparent joint interests of the Debtors and SOW Capital (as described above).

34. My concerns are amplified by the following:

- Notwithstanding requests by Romspen's counsel for evidence of 281's financial wherewithal to close the transaction contemplated by the SOW APS, no such evidence has been produced. Copies of emails exchanged between counsel to Romspen, Lisa Corne (Romspen's counsel), and counsel to SOW Capital, Amandeep Sidhu, dated from September 20 to 21, 2023, are attached collectively, as **Exhibit L.**

- At paragraph 16 of his affidavit, Wong deposes that the SOW APS "has become firm and/or unconditional with a closing date of November 30, 2023". However, under section 4.01 of the SOW APS, 281's obligation to close is conditional on SOW Capital's representations and warranties being true in all material respects on the date of closing. In section 5.01, SOW Capital represents and warrants that it is an Ontario limited partnership. SOW Capital is a corporation, so this representation cannot be true. I have concerns that this would permit 281 to terminate the SOW APS and seek a return of its deposit.

VI. THE TIMES APS IS THE HIGHEST AND BEST OFFER

35. In all of the circumstances, I believe that the Times APS represents the highest and best offer:

- I do not believe, particularly in the current interest rate climate, that a further marketing campaign would yield higher or better offers. As of September 15, 2023, when the Times APS was signed, the Property had been listed for sale on MLS for 162 days. It was marketed to a wide, but focused, audience of land developers and commercial brokers. The Debtors and SOW Capital have also sought a sale of the Property since January 2022.

- The Times APS is unconditional, with a scheduled closing of November 15, 2023. The SOW APS is apparently scheduled to close on November 30, 2023, but the closing date has been extended once already by the SOW Amendment, and TKIC purported to be on the cusp of signing an agreement of purchase and sale with Lee Li in April, 2023, but that agreement, without any explanation, never materialized.

- The purchase price under the Times APS is higher than the purchase price under the SOW Capital APS, the appraisals commissioned by SOW Capital, and the appraisal commissioned by Romspen in January 2023, an unredacted copy of which is attached as **Confidential Exhibit 3**.

- Although the SOW APS does not appear to be subject to payment of a commission to a broker, I am advised by Cormaggi, and verily believe, that Hunter Lam ("**Lam**"), whose signature is affixed to the SOW Amendment on behalf of 281, had also approached Cormaggi about buying the Property. After exchanging text messages with Cormaggi, and notwithstanding Cormaggi's texts following up on the inquiries, Lam went silent. Instead, Lam appears to have circumvented the listing, and negotiated with SOW Capital directly, with a view to avoiding payment of the commission. Copies of these text messages are attached as **Exhibit M**.

SWORN BEFORE ME by videoconference, at the City of Toronto, in the Province of Ontario, on this 29th day of September, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits
(or as may be)

DAVID SEIFER

WESLEY ROITMAN

This is Exhibit "A" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)


FOR SALE
LAND 99 ACRES
CORMAGGI GROUP REAL ESTATE
ZONED:
BUSINESS PARK/EMPLOYMENT
Frank Cormaggi
Laura Cormaggi
905-731-2000
FOR SALE
LAND 99 ACRES
ZONED:
BUSINESS PARK/EMPLOYMENT
Frank Cormaggi
Laura Cormaggi
905-731-2000

This is Exhibit "B" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

FOR SALE

80 ACRES
Land

3143 19TH AVENUE
Markham, ON

Laura Cormaggi, Sales Representative
416-931-0234
lauracormaggi@royallepage.ca

Royal LePage Your Community Realty
8854 Yonge Street, Richmond Hill, ON
Independently Owned & Operated

ROYAL LEPAGE
COMMERCIAL

PROPERTY OVERVIEW

$69,500,000

Property Features

- *Rare* Prime Land In Markham, Strategically Located Employment Land, with Broad Zoning.
- Approx +/- 80 Acres, Less Green Space, Waterways, etc., Resulting in usable Area Of Approximately +/- 66 Acres.
- A Minister's Zoning Order (Mzo) Was Issued In 2021 Which Re-Zoned The Property
- MZO Re-Zoned The Property As Developable Area To Business Park Zone,
- Allowing For A Wide Range Of Permitted Uses
- Property is comprised of 2 Non-Contiguous Parcels of Land Separated by a Forested Area
- Separated by Portions of Berczy Creek along 19th Ave.
- Property is Well Situated Being Approximately 1Km East of 404

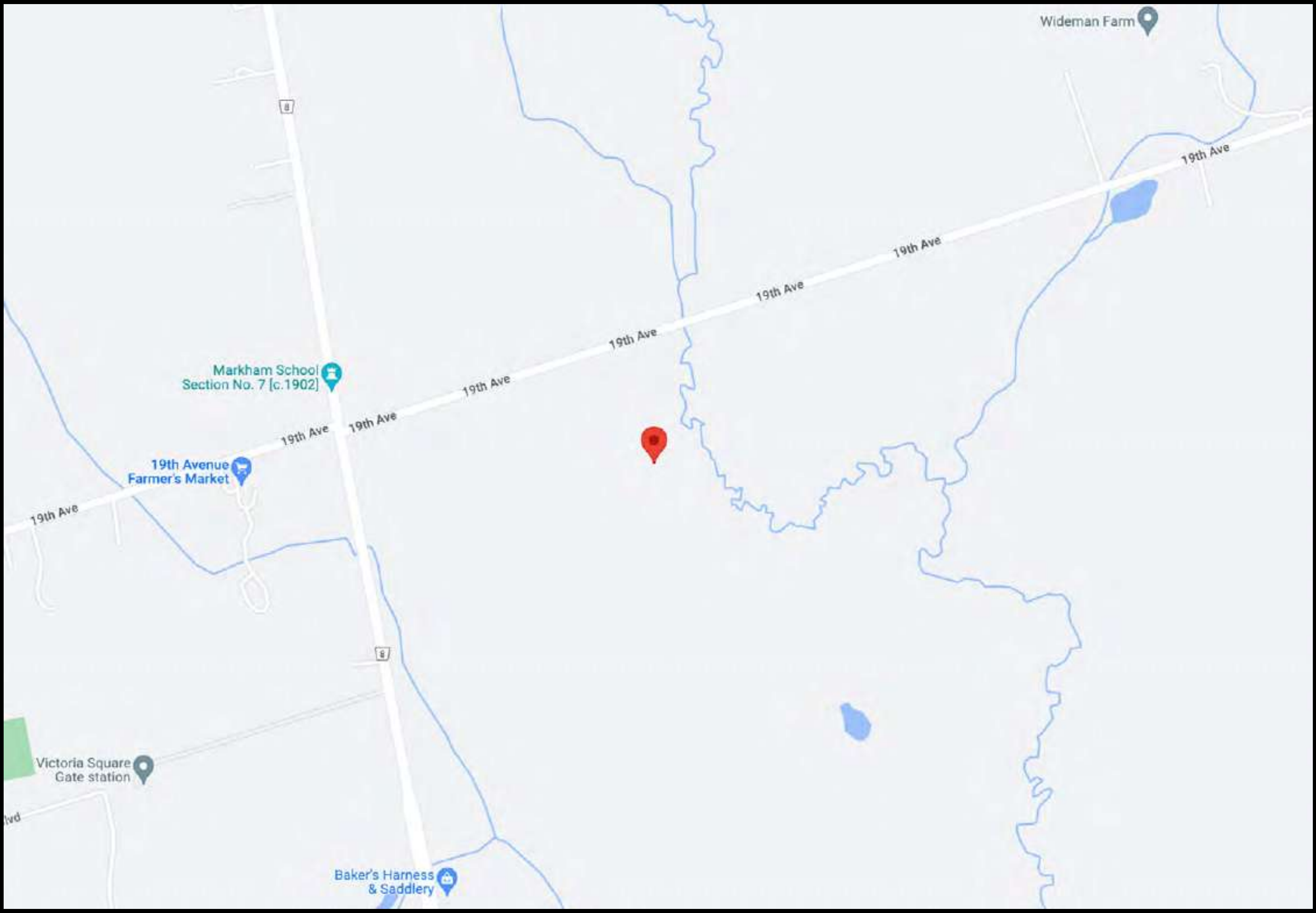
PROPERTY PHOTOS

PROPERTY PHOTOS

FLOOR PLAN

ROYAL LEPAGE
COMMERCIAL

LOCATION MAP



ROYAL LEPAGE
COMMERCIAL

FOR SALE

0855
80 ACRES
Land

3143 19TH AVENUE
Markham, ON

Laura Cormaggi, Sales Representative
416-931-0234
lauracormaggi@royallepage.ca

Royal LePage Your Community Realty
8854 Yonge Street, Richmond Hill, ON
Independently Owned & Operated

ROYAL LEPAGE COMMERCIAL

PROPERTY OVERVIEW

$64,500,000.00

Property Features

- *Rare* Prime Land In Markham, Strategically Located Employment Land, with Broad Zoning
- Approx +/- 80 Acres, Less Green Space, Waterways, etc., Resulting in usable Area Of Approximately +/- 66 Acres
- A Minister's Zoning Order (Mzo) Was Issued In 2021 Which Re-Zoned The Property
- MZO Re-Zoned The Property As Developable Area To Business Park Zone, Allowing For A Wide Range Of Permitted Uses
- Property is comprised of 2 Non-Contiguous Parcels of Land Separated by a Forested Area
- Separated by Portions of Berczy Creek along 19th Ave
- Property is Well Situated Being Approximately 1Km East of 404

Confidentiality Agreement

Upon executing a Non-Disclosure Agreement satisfactory to the Receiver, access to a secure electronic data room that contains due diligence materials, other information related to the Property and the sale process will be made available to the recipient.

Non-Disclosure Agreement

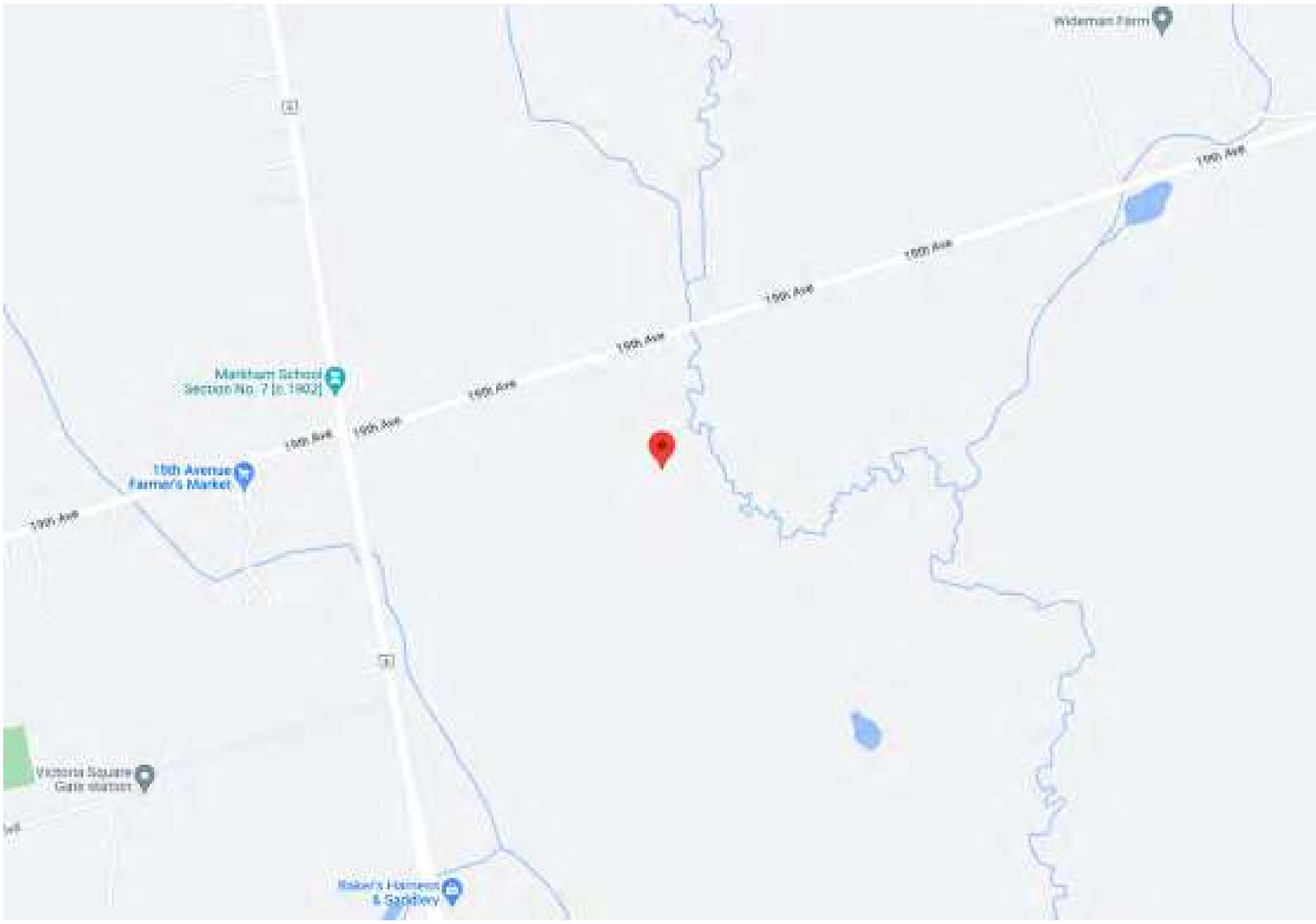
PROPERTY PHOTOS

PROPERTY PHOTOS

ROYAL LEPAGE COMMERCIAL


Part of Lot 30, Concession 4
City of Markham, Regional Municipality of York
19TH AVENUE
19TH AVENUE
MAP No. 270
LEGEND
Municipal boundary
Lands Subject to Zoning Order
Business Park
Roads
Assessment Parcel
0 75 150 300
Metres
THIS IS NOT A PLAN OF SURVEY
Ontario

LOCATION MAP



ROYAL LEPAGE
COMMERCIAL

This is Exhibit "C" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

OREA Ontario Real Estate Association

Agreement of Purchase and Sale
Commercial

0862 Form 500
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 28 day of April, 20 23

BUYER, [redacted] , agrees to purchase from
(Full legal names of all Buyers)

SELLER, ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE) , the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address: 3143 19TH AVENUE, MARKHAM, ONTARIO

fronting on the side of

in the

and having a frontage of - more or less by a depth of more or less

legally described as SEE SCHEDULE A

("the property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN$) [redacted]

[redacted] Dollars

DEPOSIT: Buyer submits UPON ACCEPTANCE
(Herewith/Upon acceptance/as otherwise described in this Agreement)

ONE HUNDRED THOUSAND Dollars (CDN$) 100,000

by negotiable cheque payable to ROYAL LEPAGE YOUR COMMUNITY REALTY BROKERAGE, In Trust "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A **attached hereto form(s) part of this Agreement.**

1 **IRREVOCABILITY:** This Offer shall be irrevocable by BUYER (Seller/Buyer) until 5PM a.m./p.m. on the 2nd day of MAY 20 23, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the buyer in full without interest.

2 **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the day of **SEE SCHEDULE A 20 23 Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

3. **NOTICES:** Seller hereby appoints the Listing Brokerage as Agent for the seller purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No. ______________ (For delivery of Documents to Seller)   **FAX No.** ______________ (For delivery of Documents to Buyer)

Email Address: ______________ (For delivery of Documents to Seller)   **Email Address:** ______________ (For delivery of Documents to Buyer)

4 **CHATTELS INCLUDED:**
n/a

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5 **FIXTURES EXCLUDED:**
n/a

6 **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, If applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the ______ day of * SEE SCHEDULE A , 20 23 (Requisition Date) to examine the title to the Property at Buyer's own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy Buyer that there are no outstanding work orders or deficiency notices affecting the Property, and that its present use (______________) may be lawfully continued. If within that time any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the Property. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders or deficiency notices affecting the Property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S): ( )   **INITIALS OF SELLER(S):** ( )

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.

17. **RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada; (b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.

23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.

24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

25. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**

26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, Shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE APR 28/23

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the Listing Brokerage the unpaid balance of the commission together with applicable Goods and Services Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the Listing Brokerage to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ______ this ______ day of ______ of ______, 20 ______

(Signature of Seller/Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage ______ Tel. No. ______

(Salesperson / Broker Name)

Co-op/Buyer Brokerage ______ Tel. No. ______

(Salesperson / Broker Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE

(Seller) DATE

Address for Service

Tel No.

Seller's Lawyer

Address

Email

Tel. No. FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) DATE

(Buyer) DATE

Address for Service

Tel No.

Buyer's Lawyer

Address

Email

Tel. No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and the time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:

(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-Operating Brokerage)

ORĒA Ontario Real Estate Association

Schedule "A"
Agreement of Purchase and Sale - Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, [redacted]

SELLER, ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE).

For the purchase and sale of 3143 19TH AVENUE, MARKHAM, ONTARIO

dated the 28TH day of APRIL , 20 23

Buyer agrees to pay the balance as follows:

1. PURCHASE PRICE

The Buyer agrees to pay the Purchase Price as follows:

a) Upon mutual acceptance of this Agreement the Buyer agrees to submit a deposit of One Hundred Thousand Dollars ($100,000.00) (the "**First Deposit**") to Aird Berlis LLP in trust, in its capacity as the Seller's solicitor (the "**Seller's Solicitor**"), to be held by the Seller's Solicitor in trust pending completion or other termination of this Agreement, and to be credited towards the Purchase Price on completion of the transaction;

b) Within two (2) days following the Due Diligence Date, as hereinafter defined, the Buyer agrees to submit a further deposit of One Million Nine Hundred Thousand ($1,900,000.00) (the "**Second Deposit**" and together with the First Deposit, the "**Deposits**") to the Seller's Solicitor, to be held by the Seller's Solicitor in trust pending completion or other termination of this Agreement, and to be credited on account of the Purchase Price on completion of the transaction;

c) The balance of the Purchase Price, subject to adjustments, shall be payable by the Buyer by wire transfer on Closing.

2. DEPOSITS

The Deposits shall be held in trust by the Royal Lepage Your Community Realty Brokerage In Trust, in an interest-bearing trust account as per Schedule C and shall be payable as follows:

a) Upon completion of the transaction, the Deposits shall be paid to the Seller on account of the Purchase Price and the accrued interest thereon to the Buyer; or

b) The Deposits and any accrued interest thereon shall be paid to the Buyer if the Agreement has been automatically terminated in accordance with Section 10, or Section 5 of Schedule "A", or if the transaction is not completed for any reason other than the Buyer's default. Notwithstanding any other provision of this Agreement, the maximum aggregate amount that the Buyer may claim and recover from the Seller as a result of Seller's default under this Agreement shall be limited to the amount of the Deposit or Deposits, as applicable; or

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

c) The Deposits and any accrued interest thereon shall be paid to the Seller, if the transaction is not completed by reason of the Buyer's default, in full satisfaction of all claims against the Buyer.

3. ADJUSTMENTS

There will be the usual adjustments to the Purchase Price, as is customary for the purchase of similar real property in Ontario and as provided for in this Agreement.

4. SELLER'S DELIVERIES

Within three (3) business days following the execution of this Agreement by both parties, the Seller shall deliver the following documents (the "**Delivery Materials**") to the extent that they are in the Seller's possession or control with respect to the Property:

a) any existing plan(s) of topographical and boundary survey of the Property in both PDF and CAD format; and

b) copies of any current realty tax assessment notices.

The Seller will promptly, within two (2) business days of the Buyer's request, execute and deliver an authorization reasonably required by the Buyer to authorize government authorities to release to the Buyer any information which such authorities may have on their records relating to the Property provided no requests to complete any inspections will be permitted or requested.

5. DUE DILIGENCE CONDITION

The obligation of the Buyer to complete the transaction contemplated by this Agreement is conditional upon the Buyer being satisfied in its sole, absolute and unfettered discretion or waiving the following condition (the "**Due Diligence Condition**"):

a) on or before the date that is Sixty (60) days from the date that this Agreement has been executed by both Parties (the "**Due Diligence Date**"), the Buyer shall have conducted whatever searches, investigations, reviews, inspections and inquiries the Buyer, deems advisable with respect to the Property including, without limitation, physical and engineering inspections of the Property, compliance with all applicable laws and regulations, any agreement with third parties affecting the Property, environmental audits (including without limitation Phase I and Phase II environmental testing), soil tests, development potential, zoning, rezoning, status of title and the status of the development and any other matters of interest to the Buyer with respect to the Property and shall be satisfied, in its sole discretion, with the foregoing, its review of title (including the Permitted Encumbrances), and the Delivery Materials (the "**Due Diligence Condition**").

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): INITIALS OF SELLER(S):

In the event the Due Diligence Condition is not waived by the Buyer by notice in writing to the Seller on or before the Due Diligence Date, this Agreement shall be automatically terminated and null and void and of no further force or effect, and the Deposit and any accrued interest thereon shall be returned to the Buyer.

6. TITLE

The Buyer shall be allowed until the Fifteenth (15^{th}) day prior to the Closing Date (the "**Requisition Date**") to investigate the title at its own expense. If, on or before the Requisition Date, it shall deliver to the Seller a notice in writing of any valid objection to the title of the Property which the Seller is unable or unwilling to remove, remedy or satisfy and which the Buyer will not waive, this Agreement, notwithstanding any intermediate acts or negotiations, will terminate, in which event the Deposit shall be returned to the Buyer and the parties will have no further obligations to, nor rights against, the other in respect of this Agreement except to the extent expressly stated to survive termination.

Save as to any valid objections so made within such time and any objection going to the root of title, the Buyer will be conclusively deemed to have accepted title to the Property, provided that the Buyer has the right to make further objections arising out of or in respect of any registration against title to the Property other than Permitted Encumbrances occurring on or after the Requisition Date.

7. CLOSING DATE

The closing of the purchase and sale of the Property pursuant to this Agreement shall be completed thirty (30) days following the waiver or satisfaction of the Due Diligence Condition (the "**Closing Date**").

8. ASSIGNMENT

The Buyer shall have the right to assign the benefits and obligations of this Agreement upon written notice to the Seller, to be delivered no later than ten (10) business days prior to the Closing Date, together with the assignee's assumption of the Buyer's rights and obligations hereunder, provided that the original Buyer shall not be released from any obligations and liabilities hereunder.

9. HARMONIZED SALES TAX

The Seller and the Buyer (or any party permitted to acquire a beneficial interest in the Property pursuant to this Agreement (the "**Beneficial Owner**")) shall be registered under Subdivision d of Division V of Part IX of the Excise Tax Act (Canada) (the "**Act**") and the parties to this Agreement acknowledge that the Property is not a residential complex for the purposes of the Act. The Seller acknowledges that the Buyer will not be remitting to the Seller harmonized sales tax ("**HST**") pursuant to the Act. The Buyer agrees to indemnify and save harmless the Seller from any HST payable in respect of this transaction pursuant to the Act, and any penalties, interest or other amounts which may be payable by or assessed against the Seller under the Act as a result of or in connection with the Seller's failure to collect and remit any such HST. The Buyer agrees to provide, on Closing, a separate declaration and indemnity on the terms contained herein where the Buyer elects not to remit the HST payable in respect to this transaction directly to the Seller.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): HA INITIALS OF SELLER(S):

10. REAL ESTATE COMMISSIONS

The Seller will be responsible for paying the commission or fee payable to any real estate agent or broker which the Seller has retained in connection with the transaction. The Buyer has not used and it shall not use the services of any real estate agent or broker in connection with the purchase and sale of the Property.

11. CONFIDENTIALITY

Each of the parties agrees that until Closing (and in the event this Agreement is terminated for any reason, also from and after such termination) it will keep in strict confidence:

a) All information, documents and materials relating to the other party and the Property which it has obtained from the other party or any of the other party's representatives, agents, consultants, advisors or solicitors whether pursuant to this Agreement or prior to the date hereof; and (ii) the terms of this Agreement (collectively, the "**Confidential Information**");

b) The parties may disclose Confidential Information to each of their representatives, agents, consultants, advisors and the solicitors for the purposes of completing the transaction, provided that, in each instance, the disclosing party shall instruct all such recipients of Confidential Information to comply with the provisions of this section, and the disclosing party will be responsible and liable for any failure by any such Person to comply with the provisions of this section;

c) In the event the transaction is not consummated for any reason, the Buyer shall keep in strict confidence all Confidential Information and shall promptly return to the Seller or destroy all documents and materials relating to the Seller or the Property which have been provided to the Buyer by or on behalf of the Seller, whether pursuant to this Agreement or prior to the date hereof, including all copies thereof.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): 　　 **INITIALS OF SELLER(S):**

SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE

For 3143 19th Avenue Markham, Ontario L6C 1L8 (Address for the "Property") ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE(Seller)

Sale to [redacted] (Buyer[s])

The following terms replace, modify or add to other terms of the Agreement of Purchase and Sale to which it is appended. The terms in this Schedule override any other term or condition of the agreement. Any matter provided for in this Schedule as well as any other part of the Agreement shall be settled by a broad construction of the applicable term in this Schedule.

1. The description of the Property is believed by the Seller to be correct but if any statement, misstatement, error or omission shall be found in the particulars thereof, the same shall not annul or terminate the sale nor entitle the Buyer to be relieved of any obligation hereunder, nor shall any compensation or abatement in the Purchase Price be allowed to either the Seller or the Buyer in respect thereof.

2. The Buyer acknowledges that the Seller is selling the lands and premises to the Buyer in exercise of the Power of Sale provisions contained in a mortgage (the "Mortgage") the Seller holds on the Property. The Buyer agrees to accept title pursuant to the rights of the Seller under its mortgage and in accordance with the terms of the Mortgage and Part III of the Mortgages Act (Ontario), as same may be amended from time to time.

3. The Seller represents herein that there is a default under the terms of its mortgage as of the date hereof which default entitles the Seller to exercise its rights of Power of Sale. The Transfer/Deed shall exclude the implied covenants in Subsection 5(1) (i) **(ii)** and (iii) of the Land Registration Reform Act (Ontario). The Transfer/Deed shall contain the appropriate statements as determined by the solicitor for the Seller that the sale herein complies with the provisions of the Charge/Mortgage and the Mortgages Act of Ontario.

4. The Buyer shall purchase the Property as it exists at the present time without representation, warranty or condition with respect to the fitness, condition, zoning or lawful use of the Property. The Seller makes no representations or warranty with respect to any defects in workmanship, state of repair or location of structures, walls, retaining walls or fences (freestanding or otherwise). The Seller shall *have* no responsibility whatsoever to remedy any defect, comply with any work orders, or complete any unfinished work. The Buyer will accept the Property "as is" on the day of closing and acknowledges that it has relied entirely upon its own inspections and investigations with respect to the quantity, quality and value of the Property. The Seller shall not be required to discharge any mortgages, liens or other encumbrances registered subsequent to the Charge/Mortgage of Land under which the Power of Sale is being exercised.

5. The Buyer agrees that the Seller may, in its absolute discretion accept, on or before the closing date or any extension thereof, redemption of the Mortgage in whole or in part, by any party having an interest in the Property and, thereupon, the Seller may terminate this agreement without liability of any kind to the Buyer.

6. The Buyer agrees to accept the Property regardless of any order affecting the Property regarding its condition or use (including deficiency or other notices, compliance requests, work and other orders) and subject to all judicial, municipal or any other governmental by- laws, agreements, restrictions (registered or unregistered), or orders as well as any registered restriction agreements or covenants which run with the land. Without limiting the generality of the foregoing, the Buyer agrees to accept title to the Property subject to any registered Notices of Security Interest, any easements in favour of any utility and further agrees to accept any standard municipal subdivision agreements with the Municipality registered on the title to the Property, providing each has been complied with, or providing security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant Municipality. The Buyer further agrees to accept the Property subject to rights of way, easements, covenants that run with the land or minor encroachments by buildings or fences on the subject Property or adjoining properties or streets, all municipal and other development and sewer levies, fees, imposts and charges and all amounts added to the tax roll (other than realty taxes imposed on the assessment of the Property and public utilities which are a lien prior to the Mortgage), in all cases regardless or whether there is compliance. If the Property is oil heated, the Buyer accepts the oil tank in its "as is" condition.

7. In the event any issue is raised with respect to the exercise of the Power of Sale by the Seller which affects the Seller's ability to transfer title to the Property in accordance with this Agreement by requisition, notice, certificate of pending litigation or any other manner, or if vacant possession cannot be provided, the Seller may at its option extend the closing date for a period or periods of time not exceeding 50 days in total. If the Seller is unable to resolve any such issue by the expiry of the extension period or periods, the Seller at its sole option may terminate this Agreement without liability of any kind to the Buyer and the deposit returned without interest or deduction.

8. Notwithstanding any other clauses set out in this Agreement, the purchase price herein shall not include any chattels. The Seller agrees to sell only such interest as it may have in the fixtures and chattels as referred to in the Agreement of Purchase and Sale and/or located on the Property and does not guarantee title to the chattels nor does it warrant the condition or state of repair of the chattels. The Seller shall deliver possession of the said fixtures and chattels found on the Property "as is" on closing without bill of sale, warranty, security interest discharge, or title documentation and shall make no further adjustments or abatements in the purchase price with respect thereto. The Seller shall not be obligated to remove any chattels prior to closing.

9. The Seller covenants that it has done no act to encumber the Property as at the date hereof and the Seller covenants that it shall do no act to encumber the Property from the date of acceptance hereof to the date of closing. The Seller shall not sell or dispose of the Property between the date hereof and the date of closing. The Seller shall not be required to furnish or produce any abstract, deed, declaration or other document or evidence of the title except those in its possession.

1 o. Where a Court of competent jurisdiction prevents the completion of the within sale by an interim, interlocutory, permanent injunction or otherwise, then the Seller (Mortgagee) is not obligated to complete the said transaction and this Agreement is to be terminated as being null and void and the deposit shall be returned to the Buyer without interest or deduction. In no event shall the Seller be responsible for any costs, expenses,

loss or damages incurred or suffered by the Buyer in any way related to this Agreement.

11. The Buyer agrees to assume all existing tenancies affecting the Property and the Seller shall provide to the Buyer on closing any documentation relating to those tenancies which it has in its possession. The Seller makes no representation whatsoever with respect to any tenancy or occupancy of the Property or as to the compliance of the existing rents with existing rent control legislation. The Seller shall not be required to provide any documentation signed by tenant(s) confirming the status of the tenancy/ies or occupancy. The Seller shall further not be obligated to provide any credit or other adjustment to the Buyer on closing for any current or pre-paid rent, interest, or other adjustments respecting any tenancy other than for rent actually received by the Seller. Where the Buyer provides the Seller with a sworn declaration pursuant to Section 53 of the Mortgages Act that the Buyer requires possession for personal or family occupancy, the Seller will serve the tenants with a Notice of Termination in the prescribed manner, but the Seller shall not be required to take any further action on behalf of the Buyer to seek or recover vacant possession of the Property, which shall remain the Buyer's responsibility.

12. Notwithstanding any other clauses in this Agreement, the Seller makes no representation whatsoever as to whether the Property has been insulated with Urea Formaldehyde Foam Insulation or whether the Property contains any other substances that may be hazardous or toxic or toxic within the meaning of the Environmental Protection Act (Ontario).

13. If this transaction is subject to Harmonized Sales Tax (HST), then such HST shall be in addition to and not included in the purchase price. The Seller shall not supply any Warranty, Statutory Declaration or Certificate with respect to the subject Property's status as a used residential property or as to whether this transaction is an exempt supply in accordance with the provisions of the Excise Tax Act (Part VII) (HST). The Buyer further indemnifies and saves harmless the Vendor and its solicitors, from all claims that may be made in connection with any HST which may be applicable to this transaction. The Seller shall not be responsible to provide any certificates with respect to the applicability of HST to the transaction. Provided, however, that the Seller is solely responsible for the payment of HST on the amount of any real estate commission payable by the Seller hereunder.

14. Notwithstanding any statement to the contrary contained in the Agreement of Purchase and Sale, the Seller shall not be obligated to obtain or provide any survey of the subject Property save as may actually be in the possession of the Seller.

15. The Buyer herein represents and warrants that it has no association with, is not acting on behalf of, nor is it related to the Mortgagor/registered owner of the subject Property whose mortgage is in default and pursuant to which mortgage the Seller is selling the Property under Power of Sale. This representation and warranty shall survive the closing of the within transaction.

16. Post-closing adjustments will only be made if brought to the Seller's attention within 30 days of the date of closing, otherwise there will be no adjustments whatsoever after closing, including without limiting the foregoing, adjustments for realty taxes, business taxes, property assessments, sewer levies, water, hydro and utilities.

17. If the Property is a condominium, notwithstanding anything to the contrary in this Agreement, the Seller makes no representations and warranties about condominium matters, including current expenses, potential special assessments or legal actions pending against the condominium corporation, if any, and the Buyer shall not be entitled to terminate or to any abatement or damages relating to these matters. If any special assessments are levied and outstanding, the Seller is responsible for amounts payable on account thereof only for its period of possession until closing.

18. The Seller states and the Buyer acknowledges that the Seller is not and will not be at time of closing a non-resident of Canada as defined by the Income Tax Act; the Seller will not provide any affidavit evidence with respect thereto.

19. Where the provisions of this Schedule conflict with any terms in the Agreement of Purchase and Sale, the parties agree that the provisions of this Schedule shall govern and prevail.

20. Acceptance of this offer by either party and communication of same by facsimile transmission shall be binding upon each party as if such documents transmitted were original executed documents. Where available, title shall be conveyed electronically. Whether conveyed electronically or in the manner required by the Director of Titles, the Buyer shall accept the prescribed solicitor's statements attached to the transfer as conclusive evidence of compliance with the Mortgages Act and other applicable legislation. The Seller will not provide any affidavit evidence in support of compliance. At the Seller's option, the Buyer shall deliver all closing funds through the Teranet Closure System and all costs and fees of delivering the closing funds in such manner shall be paid for by the Buyer.

21. Upon termination of this Agreement by reason of default of the Buyer, the deposit together with any interest herein shall be paid to the Seller by the Seller's Agent forthwith without any further direction or consent from the Buyer being required, and the Buyer shall not direct or cause or attempt to cause the Seller's Agent to do otherwise.

Per:______________ ______________
Seller Date

Per:______________ APR 28/23
Buyer Date

OREA Ontario Real Estate Association

Form 505
for use in the Province of Ontario

Schedule C
Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: [redacted], and

SELLER: ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE)

for the purchase and sale of 3143 19TH AVENUE MARKHAM ON L6C 1L8

dated the 28th day of APRIL, 2023

LEGAL DESCRIPTIONS:

PIN: 03055-0377 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770; CITY OF MARKHAM

PIN: 03055-0379 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770; CITY OF MARKHAM

PIN: 03055-0380 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM

The Buyer and Seller acknowledges and agrees that the deposit holder (Royal LePage Your Community Realty Brokerage) discloses that the depositor's funds are being held in a variable interest rate account "In Trust", as specified by the Real Estate Business Brokers Act 2002 section 27, at the current rate of prime less 2.15%. The Brokerage calculates and disburses all interest earned for the benefit of all Depositors (Buyers) unless otherwise directed in writing by the Depositor (Buyer).The interest earned on all deposits is subject to an administration fee of ninety five dollars ($95.00) plus HST per deposit or further deposits. In the event the interest earned does not exceed Ninety Five dollars ($95.00)such interest shall be retained by the Brokerage as full payment of the administration fee (no accounting statement will be provided). No interest shall be paid to the Buyer unless the Buyer provides the deposit holder with a Social Insurance Number and mailing address for use on the T5 forms prior to completion of this transaction. For all purposes of this notice, the terms "banking days" or "business days" shall mean any day other than a Saturday, Sunday or Statutory Holiday in the Province of Ontario.

The Seller and Buyer agree and acknowledge that all measurements and information provided by Royal LePage Your Community Realty on the MLS listing, Feature Sheets, and any other marketing materials for the subject property, have been supplied for reference purposes only and such Royal LePage Your Community Realty does not warrant their accuracy. The Buyer is advised to verify any measurements or information upon which he or she is relying.

In accordance with the Privacy Act (PIPEDA), the Buyers and the Sellers hereby agree to allow the Listing Brokerage and their Representatives to distribute information pertaining to the sale of the property in future marketing material upon this Agreement becoming firm and binding. Such information may include the price or sold price percentage in relation to asking price, picture, and address of the home, but shall not include the names or personal information about the Buyer or Seller.

Buyer/Buyer agent to verify: Vacant Land Acres and Taxes.

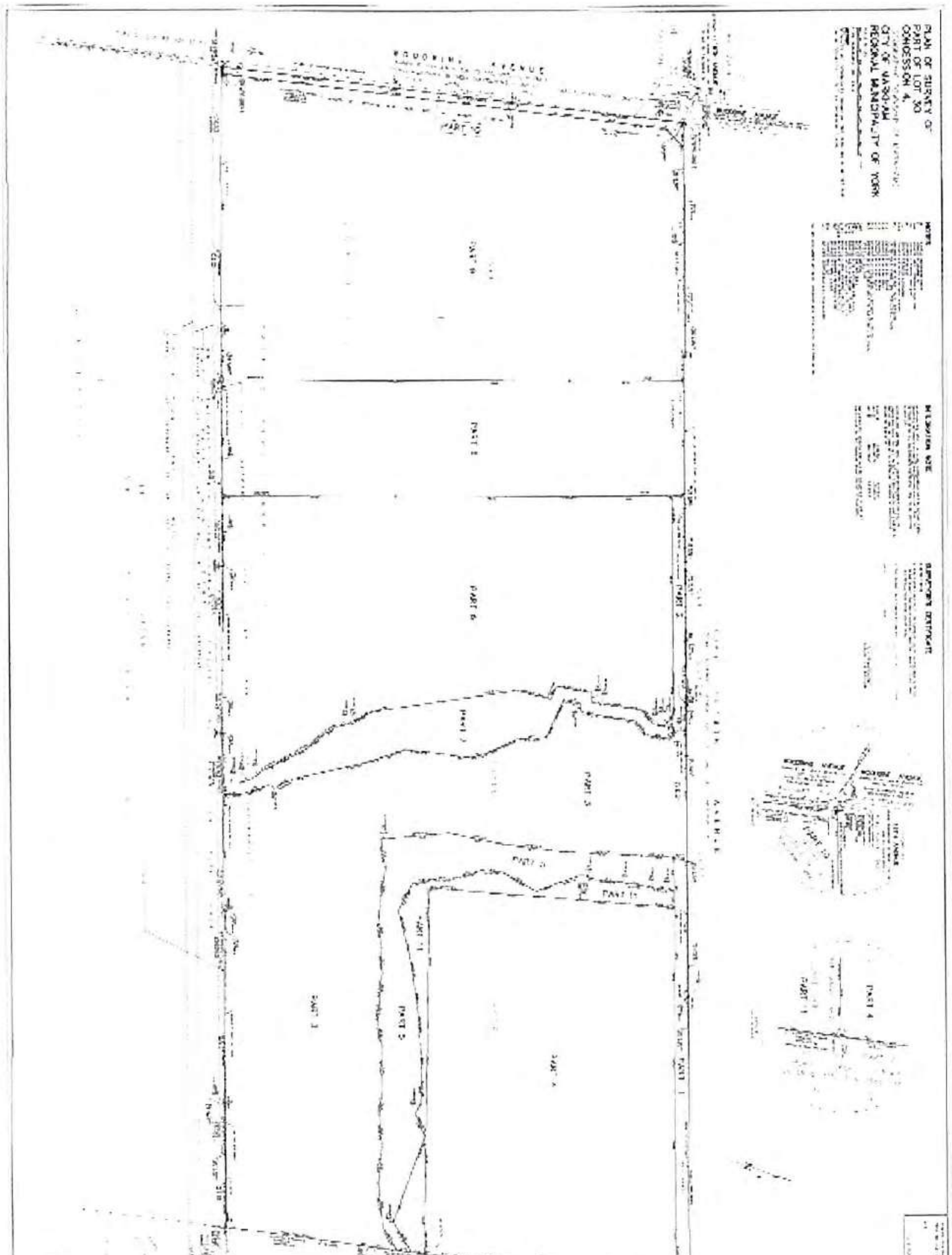
(A) + (B) (A)- Subject to below, the Buyer represents and warrants that the Buyer is not and on completion will not be a non-Canadian as defined by the Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada) (the "Foreign Buyer Ban"), and therefore the Buyer is not prohibited from purchasing residential property in Canada.
(B)- Provided that if the Buyer is a non-Canadian as defined by the Foreign Buyer Ban, the Buyer represents and warrants that the Buyer qualifies for an exception under Section 4 of the Foreign Buyer Ban and is therefore not prohibited from purchasing residential property in Canada. These representations and warranties shall survive and shall not merge on closing. The Buyer hereby indemnifies the Seller against any costs, claims, or any other damages incurred by the Seller as a result of the Buyer being prohibited from purchasing residential property under the Foreign Buyer Ban.

The Buyer understands, acknowledges and agrees that the subject property/vacant land is being sold 'As Is, Where Is.'
The Seller, Listing Agents and Listing Brokerage do not make any warranty or representation of any kind, including total developable Acres of Land and/or total Acres being sold.

The Buyer aknowledges having had the opportunity to conduct due diligence and the opportunity to seek independent Legal Counsel advice.

This form must be initialled by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**


PLAN OF SURVEY OF
PART OF LOT 30
CONCESSION 4
CITY OF MARKHAM
REGIONAL MUNICIPALITY OF YORK

SCHEDULE 'D'

OREA Ontario Real Estate Association

Agreement of Purchase and Sale
Commercial

Form 500
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 25 day of August, 20 23

BUYER: TIMES 1010 INC., agrees to purchase from
(Full legal names of all Buyers)

SELLER: ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE), the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address 3143 19th Avenue, Markham, ONTARIO L6C 1L8

fronting on the .... side of ....

in the City of Markham

and having a frontage of .... more or less by a depth of .... more or less

and legally described as
as per Schedule "A"
(Legal description of land including easements not described elsewhere) (the "property")

PURCHASE PRICE: Dollars (CDN$) [redacted]

[redacted] Dollars

DEPOSIT: Buyer submits as per Schedule "A"
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

.... Dollars (CDN$) ....

by negotiable cheque payable to.. Royal LePage Your Community Realty Brokerage, In Trust "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A B, C, and D **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer (Seller/Buyer) until 5:00 (a.m./p.m.) X on the 28th day of August, 20 23, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the .... day of Per Schedule A, 20........ Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): **INITIALS OF SELLERS(S):**

3. NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: See Schedule A (For delivery of Documents to Seller)
FAX No.: .... (For delivery of Documents to Buyer)

Email Address: .... (For delivery of Documents to Seller)
Email Address: .... (For delivery of Documents to Buyer)

4. CHATTELS INCLUDED:

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. FIXTURES EXCLUDED:

6. RENTAL ITEMS (Including Lease, Lease to Own): The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): **INITIALS OF SELLERS(S):**

8. TITLE SEARCH: Buyer shall be allowed until 6:00 p.m. on the .... day of........................Per Schedule A........................., 20..............., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (...) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. FUTURE USE: Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. TITLE: Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. CLOSING ARRANGEMENTS: Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. DOCUMENTS AND DISCHARGE: Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. INSPECTION: Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. INSURANCE: All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S): **INITIALS OF SELLERS(S):**

15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.

17. **RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.

23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.

24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

25. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**

26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. **ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

28. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S): **INITIALS OF SELLERS(S):**

29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

TIMES 1010 INC.

(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date) 25 August 2023

(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

ROMSPEN INVESTMENT CORPORATION (as trustee under power of sale)

(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at .... (a.m./p.m.) this .... day of ...., 20..........

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage Royal LePage Your Community Realty Brokerage (Tel.No.)

(Salesperson/Broker/Broker of Record Name)

Co-op/Buyer Brokerage (Tel.No.)

(Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) Romspen Investment Corporation (as trustee under power of sale) (Date)

(Seller) (Date)

Address for Service

(Tel. No.)

Seller's Lawyer

Address

Email

(Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) Times 1010 Inc. (Date)

(Buyer) (Date)

Address for Service

(Tel. No.)

Buyer's Lawyer Owens Wright LLP - Ali Daneshvar

Address 300, 20 Holly Street, Toronto, ON M4S 3B1

Email adaneshvar@owenswright.com

416 484 8674 (Tel. No.) 416 486 3309 (Fax. No.)

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:

(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

OREA Ontario Real Estate Association

Form 500
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: TIMES 1010 INC., and

SELLER: ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE)

for the purchase and sale of 3143 19th Avenue, Markham, ONTARIC L6C 1L8 Markham

dated the 25 day of August, 20 23

Buyer agrees to pay the balance as follows:

See Schedule "A".

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): **INITIALS OF SELLERS(S):**

Schedule "A" to the agreement of purchase and sale regarding 3143 19th Avenne, Markham, Ontario between TIMES 1010 INC., as Bnyer, and ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE), as Seller.

1. The following terms shall have, for all purposes of the Agreement, the following meanings:

    a. "**Agreement**" means collectively, the OREA Form, all schedules and exhibits attached thereto;
    b. "**Assignee**" has the meaning ascribed thereto in Section 12 of this Schedule "A";
    c. "**Business Day**" means a day of the week other than a Saturday, Sunday, statutory or civic holiday, in the Province of Ontario;
    d. "**Bnyer's Conditions**" has the meaning ascribed thereto in Section 7(a) of this Schedule "A";
    e. "**Buyer's Condition Date**" has the meaning ascribed thereto in Section 7(a) of this Schedule "A";
    f. "**Closing**", "**closing**", "**Closing Date**", "**closing date**", "**Completion**", "**completion**", "**Completion Date**" and "**completion date**" each mean the completion date set out in Section 4 of this Schedule "A";
    g. "**Deposit**" shall, collectively, mean the First Deposit and Second Deposit;
    h. "**First Deposit**" has the meaning ascribed thereto in Section 3 (a) of this Schedule "A";
    i. "**H.S.T.**" means the Harmonized Sales Tax under the *Excise Tax Act* (Canada);
    j. "**Leases**" means all offers to lease, agreements to lease, leases, rental agreements, renewal or amendments thereto, and other rights or licences granted by or on behalf of the Seller or its predecessor in title to possess or occupy space within the Property, in each case as amended, renewed or otherwise varied, and guarantees, letters of credit and/or indemnities of the obligations thereunder; "**Lease**" means any one of the Leases;
    k. "**Mortgage**" means, collectively, the charge registered against title to PINs 03055-0379 (LT) and 03055-0380 (LT) on August 30, 2022 in favour of the Seller as Instrument No. YR3470724, and the charge registered against title to PIN 03055-0377 (LT) on January 27, 2022 in favour of the Seller as Instrument No. YR3373212;
    l. "**Property**" means collectively, the lands and premises, together with all fixtures (excluding Seller trade fixtures), alterations, additions and appurtenances whatsoever and all chattels belonging to the Seller and included in the Purchase Price, legally described as firstly, PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS INYR3454770; CITY OF MARKHAM, being all of PIN 03055-0377 (LT), secondly, PART LOT 30, CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS INYR3455770; CITY OF MARKHAM, being all of PIN 03055-0379 (LT), and thirdly, PART LOT 30, CONCESSION 4, PARTS 2, 6 & 7 PLAN

Initials of Buyer: Initials of Seller:

65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM, being all of PIN 03055-0380 (LT);

m. "**Requisition Date**" has the meaning ascribed thereto in Section 6 of this Schedule "A"; and
n. "**Second Deposit**" has the meaning ascribed thereto in Section 3 (b) of this Schedule "A";
o. "**OREA Form**" means the OREA standard form of Commercial Agreement of Purchase and Sale to which this Schedule "A" is attached.

2. All capitalized terms not otherwise defined in this Schedule "A" shall have the meanings ascribed to them elsewhere in the Agreement.

3. **Payment of the Purchase Price**

The Purchase Price shall be payable by the Buyer to the Seller, on Closing, subject to the usual adjustments, as follows:

a. as to the sum of FIVE HUNDRED THOUSAND ($500,000.00) DOLLARS (the "**First Deposit**") by cheque or electronic wire transfer delivered to the Deposit Holder, in trust, within three (3) Business Days after the execution and delivery of this Agreement by both parties, pending the completion or other termination of this Agreement and to be credited to the Buyer on account of the Purchase Price on the Closing Date;

b. as to the sum of TWO MILLION ($2,000,000.00) DOLLARS (the "**Second Deposit**") by cheque or electronic wire transfer delivered to the Deposit Holder, in trust, within three (3) Business Days following waiver of satisfaction of the Buyer's Conditions, pending the completion or other termination of this Agreement and to be credited to the Buyer on account of the Purchase Price on the Closing Date; and

c. as to the balance of the Purchase Price, by certified cheque or bank draft or same day wire transfer delivered to the Seller's solicitors pending completion of the within transaction and payable to the Seller, or as it may direct in writing, on the Closing Date.

4. **Closing Date**

The Closing Date of this Agreement shall be sixty (60) days following waiver or satisfaction of the Buyer's Condition, subject to any extension contained in Schedule "B" of this Agreement. In the event the Closing Date falls on a non-Business Day, the Closing Date shall be the following Business Day.

5. **Deposit**

The Deposit shall be paid to the Seller on account of the Purchase Price upon the completion of this transaction. Following any waiver of the Buyer's Condition, should this transaction fail to be completed for any reason other than the Buyer's sole default, then the Deposit, shall forthwith and without deduction, be returned to the Buyer.

6. **Requisition Date**

The title of the Seller to the Property on Closing shall be a good and marketable title in fee simple free from all encumbrances whatsoever, including, but not limited to any mortgages.

The Buyer shall be allowed up to the Buyer's Condition Date (the "**Requisition Date**") to examine the title to the Property at its own expense. If any objection to the Seller's title to the Property is made in writing to the Seller and/or the Seller's solicitor at any time up to and including the expiry of the Requisition Date which the Seller is unable to remove, remedy or satisfy and which the Buyer will not waive, then notwithstanding any intermediate acts or negotiations with respect to such objections this Agreement shall be terminated in which case the Deposit shall be repaid to the Buyer, without deduction and the parties shall have no further obligations or liabilities hereunder save for those specified to survive termination. Except for any such objections so made prior to the expiry of the Requisition Date and except for any new matter arising thereafter or going to the root of the title or any objections made thereafter in respect of any new encumbrancer, the Buyer shall be conclusively deemed to have accepted Seller's title to the Property.

7. **Buyer's Conditions**

   a. This Agreement is conditional for forty-five (45) days following the mutual execution of this Agreement (the "**Buyer's Condition Date**"), upon the Buyer being satisfied in their sole, absolute, arbitrary and subjective discretion with each of the following conditions or having waived each of the following conditions (collectively, the "**Buyer's Conditions**"), each of which is for the Buyer's exclusive benefit and may be waived by the Buyer, in whole or in part at its sole, absolute, arbitrary and subjective discretion, and any one or more of which, if not satisfied or waived, will relieve the Buyer of any obligation under this Agreement:

      i. the Buyer arranging at its own expense, an inspection of the Property by a building inspector of the Buyer's choosing, and arranging for a Phase 1 and/or Phase 2 environmental assessment of the Property, but not limited to Phase 1 and/or Phase 2 environmental assessment of the Property, and being satisfied in the Buyer's sole, absolute, arbitrary and subjective discretion with the state and condition of the Property; and

      ii. the Buyer shall be satisfied with its due diligence review of whatever searches and investigations the Buyer, in its sole, absolute, arbitrary and

Initials of Buyer: Initials of Seller:

subjective discretion, deems advisable with respect to the Property including, without limitation, title to the Property, zoning and development approvals, and all encumbrances thereon, physical and engineering inspections of the Property to determine, among other things, the structural condition and state of repair of any improvements located on the Property, compliance with all laws and regulations (including environmental and zoning regulations and the official plan), any agreements or contracts with third parties affecting the Property, environmental audits, and any other matters of interest to the Buyer with respect to the Property and the Buyer is satisfied, in its sole, absolute, arbitrary and subjective discretion, with the results of all such searches, investigations and analyses.

b. The Buyer shall have until 7:00 p.m. eastern standard time on the Buyer's Condition Date to advise the Seller or the Seller's solicitor in writing whether it is satisfied with the Buyer's Conditions. If the Buyer delivers to the Seller or the Seller's solicitors written notice that it has elected not to proceed with the purchase of the Property or in the event that the Buyer does not deliver to the Seller or the Seller's solicitors written notice of its satisfaction with or waiver of the Buyer's Conditions within the aforementioned time period, then this Agreement shall be automatically terminated and the First Deposit together with all interest accrued thereon, if any, shall be returned to the Buyer forthwith, and neither party hereto shall have any further obligation or liability to the other party.

8. **Operation of the Property**

a. The Seller will cause the Property to be operated until Closing in accordance with the management practices of a reasonably prudent owner of properties of a similar quality, type, size and location as the Property and shall pay all bills and utilities up to the Closing Date.

b. Prior to Closing, the Seller shall not enter into any contract or agreement affecting the Property or agree to amend, modify, vary, terminate, surrender or cancel any existing agreement affecting the Property without the prior written approval of the Buyer.

9. **Closing Deliveries**

On Closing, the Seller shall deliver to the Buyer the following (with all documentation to be in a form satisfactory to the Buyer's solicitor):

a. Transfer/Deed by Power of Sale for the Property in registrable form, engrossed as directed by the Buyer, with the prescribed solicitor's statements completed;

b. an undertaking by the Seller to readjust any errors, omissions or changes in the Statement of Adjustments;

c. a statutory declaration of a senior officer of the Seller having knowledge of such matters attesting to the fact that the Seller is not a non-resident within the meaning of Section 116 of the Income Tax Act (Canada);

d. a statutory declaration of a senior officer of the Seller having knowledge of such matters attesting to the fact that (i) default has occurred under the Mortgage; (ii) notice of sale under the Mortgage was properly served in accordance with Part III of the Mortgages Act (Ontario), including production of the original post office receipt of registration; and (iii) the sale of the Property in accordance with this Agreement complies with Part III of the Mortgages Act (Ontario);

e. a bring down certificate of the Seller confirming the accuracy as of Closing of all warranties and representations of the Seller contained in this Agreement;

f. a direction re: funds;

g. such further and other closing documents as contemplated by this Agreement or as otherwise may be required by the Buyer's solicitor shall reasonably require; and

h. the following instruments shall be discharged from title to the Property on Closing or validly cut out from title to the Property pursuant to the power of sale proceedings completed herein in accordance with Part III of the Mortgages Act (Ontario):

    i. Charge registered on March 26, 2020 in favour SOW CAPITAL ONTARIO LIMITED and JIAYI INTERNATIONAL INVESTMENTS LTD. as Instrument No. YR3083072;

    ii. Notice of Assignment of Rents registered on March 26, 2020 in favour SOW CAPITAL ONTARIO LIMITED and JIAYI INTERNATIONAL INVESTMENTS LTD. as Instrument No. YR3083073;

    iii. Transfer of Charge registered on May 7, 2021 in favour SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3247257;

    iv. Notice of Assignment of Rents registered on May 7, 2021 in favour SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3247258;

    v. Transfer of Charge registered on May 7, 2021 in favour F A CREDIT SOLUTIONS CANADA INC. and SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3300382;

vi. Notice of Assignment of Rents registered on January 27, 2022 in favour of ROMSPEN INVESTMENT CORPORATION as Instrument No. YR3373213;

vii. Charge registered on January 27, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3373214;

viii. Notice of Assignment of Rents registered on January 27, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3373215;

ix. Charge registered on January 27, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3373216;

x. Notice of Assignment of Rents registered on January 27, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3373217;

xi. Transfer of Charge registered on January 27, 2022 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3373218;

xii. Charge registered on January 27, 2022 in favour of PA, FRANK and TUNG, STEPHEN as Instrument No. YR3373219;

xiii. Postponement registered on January 28, 2022 in favour of ROMSPEN INVESTMENT CORPORATION as Instrument No. YR3373403;

xiv. Postponement registered on January 28, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP as Instrument No. YR3373404;

xv. Postponement registered on January 28, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3373405;

xvi. Notice registered on February 24, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3385745;

xvii. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397627;

xviii. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397628;

xix. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397629;

xx. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397630;

xxi. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397631;

xxii. Notice registered on June 17, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3440956;

xxiii. Postponement registered on June 17, 2022 in favour of PA, FRANK and TUNG, STEPHEN as Instrument No. YR3440959;

xxiv. Postponement registered on June 17, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3441040;

xxv. Notice registered on July 4, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3447697;

xxvi. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454771;

xxvii. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454772;

xxviii. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454773;

xxix. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3453774;

xxx. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454775;

xxxi. Notice of Assignment of Rents registered on August 30, 2022 in favour of ROMSPEN INVESTMENT CORPORATION as Instrument No. YR3470725;

xxxii. Charge registered on August 30, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3470726;

xxxiii. Notice of Assignment of Rents registered on August 30, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3470727;

xxxiv. Charge registered on August 30, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3470728.

xxxv. Notice of Assignment of Rents Registered on August 30, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3470729;

xxxvi. Charge registered on August 30, 2022 in favour of PA, FRANK and TUNG, STEPHEN as Instrument No. YR3470730;

xxxvii. Charge registered on August 30, 2022 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3470731;

xxxviii. Notice of Assignment of Rents registered August 30, 2022 in favour of SOW CAPITAL INVESTMENTS LIMITED as Instrument No. YR3470732;

xxxix. Notice registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505530;

xl. Notice registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505533;

xli. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505547;

xlii. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505555;

xliii. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505559;

xliv. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505567;

xlv. Transfer of Charge registered on January 9, 2023 in favour of MILTOM SERVICES LIMITED and SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3513700;

xlvi. Transfer of Charge registered on January 9, 2023 in favour of MILTOM SERVICES LIMITED and SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3513701;

xlvii. Notice registered on April 5, 2023 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3538686;

xlviii. Notice registered on April 5, 2023 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3538687;

xlix. Construction Lien registered on April 14, 2023 as Instrument No. YR3541410;

l. Notice of Change of Address registered on April 17, 2023 as Instrument No. YR3541425;

li. Notice of Change of Address registered on April 17, 2023 as Instrument No. YR3541426; and

lii. Certificate registered on June 16, 2023 in favour of DX STRATEGIES INC. as Instrument No. YR3563830.

On Closing, the Buyer shall deliver to the Seller the following:

a. the balance due on closing, payable to the Seller's solicitor or as it may direct in writing;

b. a certificate and indemnity of the Buyer for H.S.T. as contemplated in Section 11 of this Schedule "A";

c. an undertaking by the Buyer to readjust any errors, omissions or changes in the Statement of Adjustments;

d. a written title direction if title is to be granted to a party other than the Buyer; and

e. such further and other closing documents as contemplated by this Agreement or as otherwise may be required by the Seller's solicitor shall reasonably require.

10. **Covenants, Representations and Warranties**

The Seller represents and warrants to and in favour of the Buyer that, as of the date of this Agreement of the within transaction and on the Closing Date:

a. The Seller is a corporation has been duly incorporated and subsisting under the laws of the jurisdiction in which it was incorporated and has the corporate power, authority, right and capacity to own its property and assets and to enter into, execute and deliver this Agreement and to carry out the transactions contemplated by this Agreement in the manner contemplated by this Agreement;

b. The transactions contemplated by this Agreement will have been duly and validly authorized by all requisite corporate proceedings and will constitute legal, valid and binding obligations of the Seller;

c. Within the meaning of Part II of the Family Law Act (Ontario), the Property has never been occupied (nor will it be occupied prior to Closing) by any Seller or any spouse of the Seller or by an officer, director or shareholder of the Seller or by their respective spouses as a family residence;

d. TUNG KEE INVESTMENT CANADA LTD. has defaulted under one or more of the obligations to the Seller, which default or defaults are continuing and the security granted in and under the Mortgage has become enforceable;

e. All time periods for the curing of any defaults under the Mortgage and all time periods provided pursuant to Part III of the Mortgages Act (Ontario) for the curing of any defaults and for the redemption of the interest of the Seller in the Property have expired;

f. A Notice of Sale in the form prescribed by Part III of the Mortgages Act (Ontario) has been duly completed and served upon all parties entitled thereto in connection with the sale of the Property pursuant to the rights of the Seller under the Mortgage; and

g. The Seller has the full right, power and authority to enter into this Agreement and to sell the Property to the Buyer under power of sale pursuant to the Mortgage and Part III of the Mortgages Act (Ontario) and to enter into this Agreement and carry out its obligations.

All of the representations and warranties contained in this Section 10 of Schedule "A" shall survive the Closing Date and shall continue in full force and effect for the benefit of the Buyer thereafter.

11. **H.S.T.**

No H.S.T shall be paid by the Buyer to the Seller with respect to the purchase by the Buyer of the Property provided that the Buyer provides to the Seller on or prior to the Closing

Date a certificate of the Buyer containing the Buyer's registration number for the purposes of such tax imposed under the Excise Tax Act (Canada) and containing the undertaking of the Buyer to self assess for H.S.T. and indemnify the Seller from any H.S.T. payable in this transaction.

12. **Assignment**

The Buyer shall have the right to assign this Agreement to any person or persons, partnerships, corporation or corporations as may be designated by the Buyer in its discretion, or to cause title to the Property to be taken in a name other than the Buyer herein (any party so designated by the Buyer being hereinafter referred to as the "**Assignee**"), provided that the Buyer shall deliver to the Seller, a written covenant of such Assignee to be bound by the provisions of this Agreement. Upon such assignment the originally named Buyer shall be relieved of all obligation and liability whatsoever pursuant to the provisions of this Agreement and the Assignee shall be deemed to be the party hereinbefore originally named as the Buyer.

13. **Notice**

Notwithstanding any other provision of this Agreement, including Section 3 of the OREA FORM, any notice to be given or document to be delivered to the Seller or Buyer pursuant to this Agreement will be sufficient if delivered personally, by facsimile transmission, digital, electronic scan or email, or sent by prepaid registered mail to the Seller's solicitor or Buyer's solicitor. Any written notice or delivery of documents given in this matter will be deemed to have been given and received on the day of delivery if delivered personally or by facsimile transmission, digital, electronic scan or email. Facsimile signatures or electronically or digitally scanned signatures (pdf or similar format) shall be deemed to be original signatures and any notice to be given or document to be delivered may be executed in counterpart.

14. **Access**

Upon acceptance of this Agreement and after the Deposit is submitted, the Buyer and/or Buyer's inspector and/or Buyer's authorized agents shall be permitted access to the Property and the Seller shall cooperate in providing such access for purposes of conducting any inspections as provided for herein. The Buyer shall at the Buyer's sole expense forthwith repair any damage done to the Property resulting from such inspections, and indemnify the Seller with respect to any and all damages or claims arising from the Buyer's access and activities on the Property. Provided further, the Buyer shall each time separately, notify the Seller's agent or solicitor not less than 24 hours in advance of the requested access and that the visits shall occur at each times, that are mutually agreed upon by the parties in the presence of the Seller's representative.

15. **Obligation to Complete**

The Buyer's obligation to carry out the transaction contemplated by this Agreement, is subject to each of the following conditions on or before the Closing Date or such other date as may be specified, which conditions are for the sole benefit of the Buyer and which may be waived by the Buyer in its sole discretion, in respect to the whole of the Property or any part thereof:

a. Representations and Warranties - That all of the covenants, representations and warranties of the Seller set out in this Agreement shall be materially true and accurate with the same effect as if made on and as of the Closing Date; and

b. Performance of Terms, Covenants and Conditions - All of the terms, covenants and conditions of this Agreement to be materially complied with or performed by the Seller on or before the Closing Date shall have been complied with or performed.

In the event that any of the above conditions are not materially complied with within any time period prescribed therefor and the Buyer is unwilling to waive the same, then the Buyer shall be entitled to terminate this Agreement, whereupon the Buyer shall have no further liability to the Seller under this Agreement and the Buyer shall be entitled to an immediate return of the Deposit without deduction.

16. **Tender**

Any notice, approval, waiver, agreement, instrument or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Buyer's solicitors on behalf of the Buyer and by the Seller's solicitors on behalf of the Seller and any tender of closing documents and the balance of the Purchase Price may be made upon the Seller's Solicitors and the Buyer's Solicitors, as the case may be. The Seller and Buyer acknowledge and agree that insofar as the tender of any documents to be electronically registered is concerned, the tender of same will be deemed to be effective and proper when the solicitor for the party tendering has completed all steps required by Teraview in order to complete this transaction that can be performed or undertaken by the tendering party's solicitor without the cooperation or participation of the other party's solicitor, and specifically when the tendering party's solicitor has electronically "signed" the transfer/deed under power of sale and any other closing document, if any, to be electronically registered for completeness and granted access to the other party's solicitor to same, but without the necessity of the tendering party's solicitor actually releasing such documents to the other party's solicitor for registration.

17. **Execution**

This Agreement may be executed in counterpart and transmitted by facsimile or other form of electronic transmission, and when so executed shall be deemed an original and when taken together shall constitute one and the same instrument.

SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE

For 3143 19th Avenue Markham, Ontario L6C 1L8 (Address for the "Property") ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE(Seller)

Sale to TIMES 1010 INC. (Buyer[s])

The following terms replace, modify or add to other terms of the Agreement of Purchase and Sale to which it is appended. The terms in this Schedule override any other term or condition of the agreement. Any matter provided for in this Schedule as well as any other part of the Agreement shall be settled by a broad construction of the applicable term in this Schedule.

~~1. The description of the Property is believed by the Seller to be correct but if any statement, misstatement, error or omission shall be found in the particulars thereof, the same shall not annul or terminate the sale nor entitle the Buyer to be relieved of any obligation hereunder, nor shall any compensation or abatement in the Purchase Price be allowed to either the Seller or the Buyer in respect thereof.~~

2. The Buyer acknowledges that the Seller is selling the lands and premises to the Buyer in exercise of the Power of Sale provisions contained in a mortgage (the "Mortgage") the Seller holds on the Property. The Buyer agrees to accept title pursuant to the rights of the Seller under its mortgage and in accordance with the terms of the Mortgage and Part III of the Mortgages Act (Ontario), as same may be amended from time to time.

3. The Seller represents herein that there is a default under the terms of its mortgage as of the date hereof which default entitles the Seller to exercise its rights of Power of Sale. The Transfer/Deed shall exclude the implied covenants in Subsection 5(1) (i) **(ii)** and (iii) of the Land Registration Reform Act (Ontario). The Transfer/Deed shall contain the appropriate law statements, in Teraview, as determined by the solicitor for the Seller **and Buyer, both acting reasonably, that the sale herein complies with the provisions of the Charge/Mortgage, the Mortgages Act of Ontario, and if applicable the Bankruptcy and Insolvency Act (Canada), the Condominium Act, the Construction Lien Act and the Farm Debt Mediation Act (Canada). The Seller covenants and agrees to provide a true and complete copy of the Notice of Sale in the form prescribed by Part III of the Mortgages Act (Ontario), that was served upon all parties entitled thereto in connection with the sale of the Property pursuant to the rights of the Vendor under the Mortgage, to the Buyer and their solicitor within ten (10) days following the mutual execution of this Agreement.**

4. The Buyer shall purchase the Property as it exists at the present time without representation, warranty or condition with respect to the fitness, condition, zoning or lawful use of the Property. The Seller makes no representations or warranty with respect to any defects in workmanship, state of repair or location of structures, walls, retaining walls or fences (freestanding or otherwise). The Seller shall *have* no responsibility whatsoever to remedy any defect, comply with any work orders, or complete any unfinished work. The Buyer will accept the Property "as is" on the day of closing and acknowledges that it has relied entirely upon its own inspections and investigations with respect to the quantity, quality and value of the Property. The Seller shall not be required to discharge any mortgages, liens or other encumbrances registered subsequent to the Charge/Mortgage of Land under which the Power of Sale is being exercised, so long as same are extinguished on closing by operation of law, pursuant to the Part III provisions of the Mortgages Act (Ontario).

5. The Buyer agrees that the Seller may, in its absolute discretion accept, on or before the expiry of the Buyer's Condition Date, redemption of the Mortgage in whole or in part, by any party having an interest in the Property and, thereupon, the Seller may terminate this agreement witho ut liability of any kind to the Buyer **and the deposit shall be returned to the Buyer forthwith with interest and without deduction**.

6. The Buyer agrees to accept the Property regardless of any order affecting the Property regarding its condition or use (including deficiency or other notices, compliance requests, work and other orders) and subject to all judicial, municipal or any other governmental by- laws, agreements, restrictions (registered or unregistered), or orders as well as any registered restriction agreements or covenants which run with the land as of the acceptance date of this Agreement. Without limiting the generality of the foregoing, the Buyer agrees to accept title to the Property subject to any registered easements in favour of any utility and further agrees to accept any standard municipal subdivision agreements with the Municipality registered on the title to the Property as of the acceptance date of this Agreement, providing each has been complied with, or providing security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant Municipality. The Buyer further agrees to accept the Property subject to rights of way, easements, covenants that run with the land or minor encroachments by buildings or fences on the subject Property or adjoining properties or streets that exist as of the acceptance date of this Agreement, all municipal and other development and sewer levies, fees, imposts and charges and all amounts added to the tax roll (other than realty taxes imposed on the assessment of the Property and public utilities which are a lien prior to the Mortgage), in all cases regardless or whether there is compliance. If the Property is oil heated, the Buyer accepts the oil tank in its "as is" condition. Notwithstanding the foregoing, all unpaid realty taxes and local improvements charges shall be adjusted as of the day of closing.

7. In the event any issue is raised with respect to the exercise of the Power of Sale by the Seller which affects the Seller's ability to transfer title to the Property in accordance with this Agreement by requisition, notice, certificate of pending litigation or any other manner, or if vacant possession cannot be provided, the Seller may at its option extend the closing date for a period or periods of time not exceeding 50 days in total. If the Seller is unable to resolve any such issue by the expiry of the extension period or periods, the Seller at its sole option may terminate this Agreement without liability of any kind to the Buyer and the deposit shall be forthwith returned to the Buyer without interest and without deduction.

8. Notwithstanding any other clauses set out in this Agreement, the purchase price herein shall not include any chattels. The Seller agrees to sell only such interest as it may have in the fixtures and chattels as referred to in the Agreement of Purchase and Sale and/or located on the Property and does not guarantee title to the chattels nor does it warrant the condition or state of repair of the chattels. The Seller shall deliver possession of the said fixtures and chattels found on the Property "as is" on closing without bill of sale, warranty, security interest discharge, or title documentation and shall make no further adjustments or abatements in the purchase price with respect thereto. The Seller shall not be obligated to remove any chattels prior to closing.

9. The Seller covenants that it has done no act to encumber the Property as at the date hereof and the Seller covenants that it shall do no act to encumber the Property from the date of acceptance hereof to the date of closing. The Seller shall not sell or dispose of the Property between the date hereof and the date of closing. The Seller shall not be required to furnish or produce any abstract, deed, declaration or other document or evidence of the title except those in its possession.

1 o. Where a Court of competent jurisdiction prevents the completion of the within sale by an interim, interlocutory, permanent injunction or otherwise, then the Seller (Mortgagee) is not obligated to complete the said transaction and this Agreement is to be terminated as being null and void and the deposit shall be returned to the Buyer without interest or deduction. In no event shall the Seller be responsible for any costs, expenses,

loss or damages incurred or suffered by the Buyer in any way related to this Agreement.

11. The Buyer agrees to assume all existing short term farm tenancies affecting the Property that shall not have a term exceeding two years from the date of closing.

12. Notwithstanding any other clauses in this Agreement, the Seller makes no representation whatsoever as to whether the Property has been insulated with Urea Formaldehyde Foam Insulation or whether the Property contains any other substances that may be hazardous or toxic or toxic within the meaning of the Environmental Protection Act (Ontario).

13. If this transaction is subject to Harmonized Sales Tax (HST), then such HST shall be in addition to and not included in the purchase price. The Seller shall not supply any Warranty, Statutory Declaration or Certificate with respect to the subject Property's status as a used residential property or as to whether this transaction is an exempt supply in accordance with the provisions of the Excise Tax Act (Part VII) (HST). The Buyer further indemnifies and saves harmless the Vendor and its solicitors, from all claims that may be made in connection with any HST which may be applicable to this transaction. The Seller shall not be responsible to provide any certificates with respect to the applicability of HST to the transaction. Provided, however, that the Seller is solely responsible for the payment of HST on the amount of any real estate commission payable by the Seller hereunder. The Buyer shall bself-assess for HST, pursuant to Section 11 of Schedule "A" of this Agreement.

14. Notwithstanding any statement to the contrary contained in the Agreement of Purchase and Sale, the Seller shall not be obligated to obtain or provide any survey of the subject Property save as may actually be in the possession of the Seller.

15. The Buyer herein represents and warrants that it has no association with, is not acting on behalf of, nor is it related to the Mortgagor/registered owner of the subject Property whose mortgage is in default and pursuant to which mortgage the Seller is selling the Property under Power of Sale. This representation and warranty shall survive the closing of the within transaction.

16. Post-closing adjustments will only be made if brought to the Seller's attention within 90 days of the date of closing, otherwise there will be no adjustments whatsoever after closing, including without limiting the foregoing, adjustments for realty taxes, business taxes, property assessments, sewer levies, water, hydro and utilities.

17. If the Property is a condominium, notwithstanding anything to the contrary in this Agreement, the Seller makes no representations and warranties about condominium matters, including current expenses, potential special assessments or legal actions pending against the condominium corporation, if any, and the Buyer shall not be entitled to terminate or to any abatement or damages relating to these matters. If any special assessments are levied and outstanding, the Seller is responsible for amounts payable on account thereof only for its period of possession until closing.

18. The Seller states and the Buyer acknowledges that the Seller is not and will not be at time of closing a non-resident of Canada as defined by the Income Tax Act; [redacted]

19. Where the provisions of this Schedule conflict with any terms in the Agreement of Purchase and Sale, the parties agree that the provisions of this Schedule shall govern and prevail.

20. Acceptance of this offer by either party and communication of same by facsimile transmission shall be binding upon each party as if such documents transmitted were original executed documents. Where available, title shall be conveyed electronically. Whether conveyed electronicall y or in the manner required by the Director of Titles, the Buyer shall accept the prescribed solicitor's statements attached to the transfer as conclu sive evidence of compliance with the Mortgages Act and other applicable legislation. The Seller will not provide any affidavit evidence in support of compliance, however, the Seller shall provide any of the Power of Sale documents required by the Buyer;s title insurer to obtain a title insurance policy on closing. At the Seller's option, the Buyer shall deliver all closing funds through the Teranet Closure System and all costs and fees of delivering the closing funds in such manner shall be paid for by the Buyer.

21. Upon termination of this Agreement by reason of **the sole default of** the Buyer, the deposit together with any interest herein shall be paid to the Seller by the Seller's Agent forthwith without any further direction or consent from the Buyer being required, and the Buyer shall not direct or cause or attempt to cause the Seller's Agent to do otherwise.

Per:____________ Date ____________

Seller

Per:____________ 25 August 2023

Buyer Date

OREA Ontario Real Estate Association

Form 505
for use in the Province of Ontario

Schedule C
Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: ...., and

SELLER: ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE)

for the purchase and sale of 3143 19TH AVENUE MARKHAM ON L6C 1L8

dated the 25 day of August, 2023

LEGAL DESCRIPTIONS:

PIN: 03055-0377 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770; CITY OF MARKHAM

PIN: 03055-0379 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770; CITY OF MARKHAM

PIN: 03055-0380 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM

The Buyer and Seller acknowledges and agrees that the deposit holder (Royal LePage Your Community Realty Brokerage) discloses that the depositor's funds are being held in a variable interest rate account "In Trust", as specified by the Real Estate Business Brokers Act 2002 section 27, at the current rate of prime less 2.15%. The Brokerage calculates and disburses all interest earned for the benefit of all Depositors (Buyers) unless otherwise directed in writing by the Depositor (Buyer).The interest earned on all deposits is subject to an administration fee of ninety five dollars ($95.00) plus HST per deposit or further deposits. In the event the interest earned does not exceed Ninety Five dollars ($95.00)such interest shall be retained by the Brokerage as full payment of the administration fee (no accounting statement will be provided). No interest shall be paid to the Buyer unless the Buyer provides the deposit holder with a Social Insurance Number and mailing address for use on the T5 forms prior to completion of this transaction. For all purposes of this notice, the terms "banking days" or "business days" shall mean any day other than a Saturday, Sunday or Statutory Holiday in the Province of Ontario.

The Seller and Buyer agree and acknowledge that all measurements and information provided by Royal LePage Your Community Realty on the MLS listing, Feature Sheets, and any other marketing materials for the subject property, have been supplied for reference purposes only and such Royal LePage Your Community Realty does not warrant their accuracy. The Buyer is advised to verify any measurements or information upon which he or she is relying.

In accordance with the Privacy Act (PIPEDA), the Buyers and the Sellers hereby agree to allow the Listing Brokerage and their Representatives to distribute information pertaining to the sale of the property in future marketing material upon this Agreement becoming firm and binding. Such information may include the price or sold price percentage in relation to asking price, picture, and address of the home, but shall not include the names or personal information about the Buyer or Seller.

Buyer/Buyer agent to verify: Vacant Land Acres and Taxes.

(A) + (B) (A)- Subject to below, the Buyer represents and warrants that the Buyer is not and on completion will not be a non-Canadian as defined by the Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada) (the "Foreign Buyer Ban"), and therefore the Buyer is not prohibited from purchasing residential property in Canada.
(B)- Provided that if the Buyer is a non-Canadian as defined by the Foreign Buyer Ban, the Buyer represents and warrants that the Buyer qualifies for an exception under Section 4 of the Foreign Buyer Ban and is therefore not prohibited from purchasing residential property in Canada. These representations and warranties shall survive and shall not merge on closing. The Buyer hereby indemnifies the Seller against any costs, claims, or any other damages incurred by the Seller as a result of the Buyer being prohibited from purchasing residential property under the Foreign Buyer Ban.

The Buyer understands, acknowledges and agrees that the subject property/vacant land is being sold 'As Is, Where Is.'
The Seller, Listing Agents and Listing Brokerage do not make any warranty or representation of any kind, including total developable Acres of Land and/or total Acres being sold.

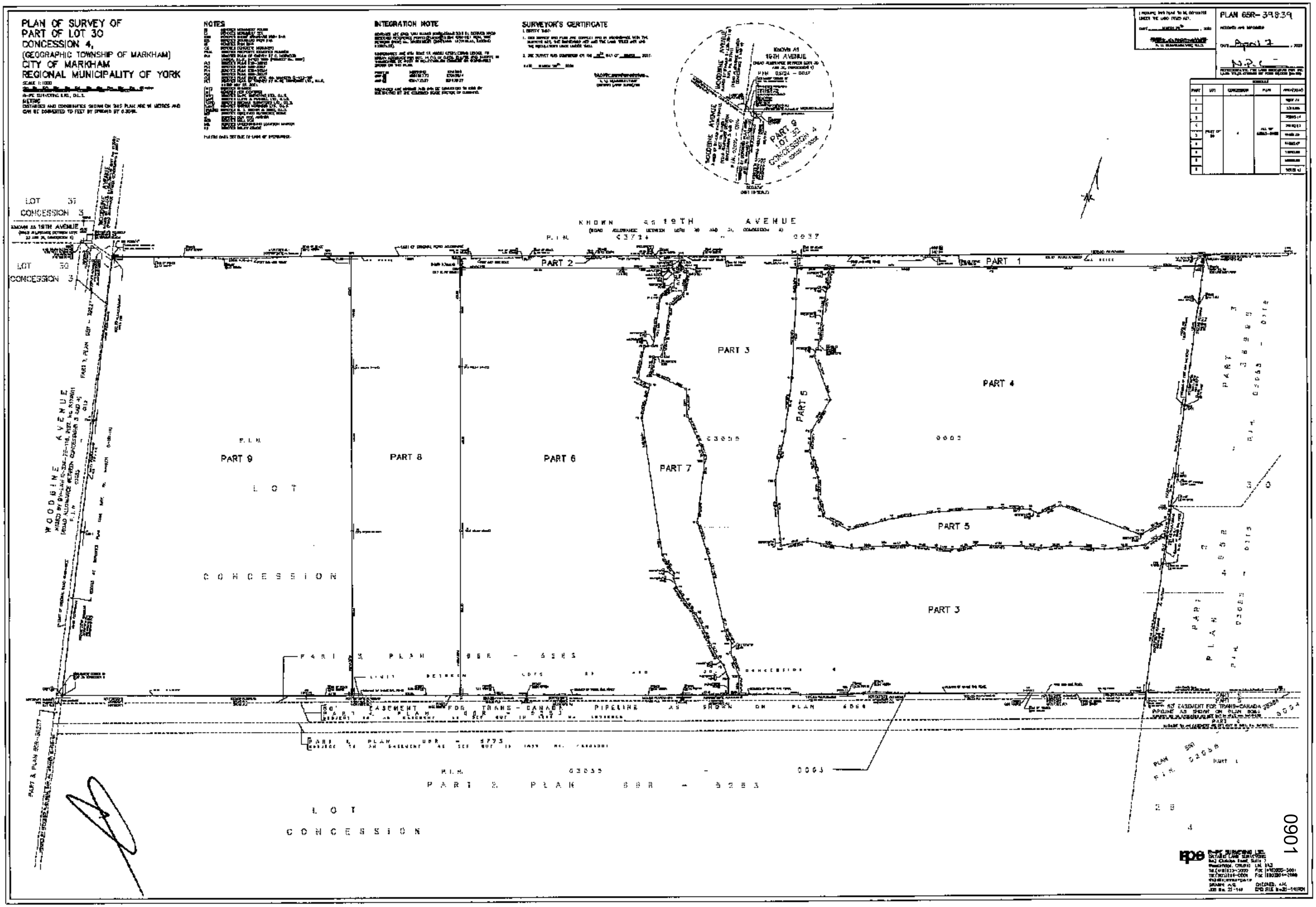
The Buyer aknowledges having had the opportunity to conduct due diligence and the opportunity to seek independent Legal Counsel advice.

This form must be initialled by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

SCHEDULE "D"

See attached.



PLAN OF SURVEY OF
PART OF LOT 30
CONCESSION 4,
(GEOGRAPHIC TOWNSHIP OF MARKHAM)
CITY OF MARKHAM
REGIONAL MUNICIPALITY OF YORK
NOTES
INTEGRATION NOTE
SURVEYOR'S CERTIFICATE
PLAN 65R-39839
KNOWN AS 19TH AVENUE
WOODBINE AVENUE
PART 9
LOT 30
CONCESSION 4
LOT 31
CONCESSION 3
LOT 30
CONCESSION 3
PART 1
PART 2
PART 3
PART 4
PART 5
PART 6
PART 7
PART 8
PART 9
LOT
CONCESSION
PART 3, PLAN 65R-6585
LIMIT BETWEEN LOTS 30 AND 31 CONCESSION 4
EASEMENT FOR TRANS-CANADA PIPELINE AS SHOWN ON PLAN 6064
PART 3, PLAN 65R-3775
PART 2, PLAN 65R-5283
PART 2, PLAN 65R-30227
0901

Agreement of Purchase and Sale
Commercial

Form 500
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 18 day of July, 20 23

BUYER, [redacted], agrees to purchase from

SELLER, ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE), the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address: 3143 19^{TH} AVENUE, MARKHAM, ONTARIO

fronting on the ______ side of ______

in the ______

and having a frontage of - more or less by a depth of ______ more or less

legally described as SEE SCHEDULE A

______ ("the property").
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: Dollars (CDN$) [redacted]

[redacted] Dollars

DEPOSIT: Buyer submits UPON ACCEPTANCE
(Herewith/Upon acceptance/as otherwise described in this Agreement)

SEE SCHEDULE A Dollars (CDN$) SEE SCHEDULE A

by negotiable cheque payable to ROYAL LEPAGE YOUR COMMUNITY REALTY BROKERAGE, In Trust "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A ______ **attached hereto form(s) part of this Agreement.**

1 **IRREVOCABILITY:** This Offer shall be irrevocable by BUYER (Seller/Buyer) until 5PM a.m./p.m. on the 24th day of July 20 23, after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the buyer in full without interest.

2 **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the ______ day of **SEE SCHEDULE A 20 23. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): MC **INITIALS OF SELLER(S):**

3. **NOTICES:** Seller hereby appoints the Listing Brokerage as Agent for the seller purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No. ______________________ (For delivery of Documents to Seller) **FAX No.** ______________________ (For delivery of Documents to Buyer)

Email Address: ______________________ (For delivery of Documents to Seller) **Email Address:** ______________________ (For delivery of Documents to Buyer)

4 **CHATTELS INCLUDED:**
n/a

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5 **FIXTURES EXCLUDED:**
n/a

6 **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the __________ day of * SEE SCHEDULE A , 20 23 (Requisition Date) to examine the title to the Property at Buyer's own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy Buyer that there are no outstanding work orders or deficiency notices affecting the Property, and that its present use (______________________) may be lawfully continued. If within that time any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the Property. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders or deficiency notices affecting the Property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S): **INITIALS OF SELLER(S):**

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the Property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S): AL **INITIALS OF SELLER(S):**

16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.

17. **RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada; (b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.

23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.

24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

25. **CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**

26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto,
Shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S): MA **INITIALS OF SELLER(S):**

28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE July 16

(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the Listing Brokerage the unpaid balance of the commission together with applicable Goods and Services Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the Listing Brokerage to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

(Witness) (Seller/Authorized Signing Officer) (Seal) DATE

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) DATE

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ____ this ____ day of ____, 20 ____

(Signature of Seller/Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage ROYAL LEPAGE YOUR COMMUNITY REALTY, Tel. No. 905-731-2000

Laura Cormaggi, Frank Cormaggi

(Salesperson / Broker Name)

Co-op/Buyer Brokerage [redacted] Tel. No. [redacted]

(Salesperson / Broker Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE

(Seller) DATE

Address for Service

Tel No.

Seller's Lawyer

Address

Email

Tel. No. FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) DATE

(Buyer) DATE

Address for Service

Tel No.

Buyer's Lawyer

Address

Email

Tel. No. FAX No.

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and the time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:

(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-Operating Brokerage)

OREA Ontario Real Estate Association

Schedule "A"
Agreement of Purchase and Sale - Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, [redacted]

SELLER, ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE).

For the purchase and sale of 3143 19TH AVENUE, MARKHAM, ONTARIO

dated the 18TH day of JULY, 20 23

Buyer agrees to pay the balance as follows:

1. PURCHASE PRICE

The Buyer agrees to pay the Purchase Price as follows:

a) Upon mutual acceptance of this Agreement the Buyer agrees to submit a deposit of One Hundred Thousand Dollars ($100,000.00) (the "**First Deposit**") to Royal Lepage Your Community Realty Brokerage In Trust, in its capacity as the deposit holder (the "**Deposit Holder**"), to be held by the Deposit Holder in trust pending completion or other termination of this Agreement, and to be credited towards the Purchase Price on completion of the transaction;

b) Within two (2) days following the Due Diligence Date, as hereinafter defined, the Buyer agrees to submit a further deposit of Two Million ($2,000,000.00) (the "**Second Deposit**" and together with the First Deposit, the "**Deposits**") to the Deposit Holder, to be held by the Deposit Holder in trust pending completion or other termination of this Agreement, and to be credited on account of the Purchase Price on completion of the transaction;

c) The balance of the Purchase Price, subject to adjustments, shall be payable by the Buyer by wire transfer on Closing.

2. DEPOSITS

The Deposits shall be held in trust by the Royal Lepage Your Community Realty Brokerage In Trust, in an interest-bearing trust account as per Schedule C and shall be payable as follows:

a) Upon completion of the transaction, the Deposits shall be paid to the Seller on account of the Purchase Price and the accrued interest thereon to the Buyer; or

b) The Deposits and any accrued interest thereon shall be paid to the Buyer if the Agreement has been automatically terminated in accordance with Section 10, or Section 5 of Schedule "A", or if the transaction is not completed for any reason other than the Buyer's default. Notwithstanding any other provision of this Agreement, the maximum aggregate amount that the Buyer may claim and recover from the Seller as a result of Seller's default under this Agreement shall be limited to the amount of the Deposit or Deposits, as applicable; or

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): NC INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Schedule to Agreement of Purchase and Sale

Form 500
for use in the Province of Ontario

c) The Deposits and any accrued interest thereon shall be paid to the Seller, if the transaction is not completed by reason of the Buyer's default, in full satisfaction of all claims against the Buyer.

3. ADJUSTMENTS

There will be the usual adjustments to the Purchase Price, as is customary for the purchase of similar real property in Ontario and as provided for in this Agreement.

4. SELLER'S DELIVERIES

Within three (3) business days following the execution of this Agreement by both parties, the Seller shall deliver the following documents (the "**Delivery Materials**") to the extent that they are in the Seller's possession or control with respect to the Property:

a) any existing plan(s) of topographical and boundary survey of the Property in both PDF and CAD format; and

b) copies of any current realty tax assessment notices.

The Seller will promptly, within two (2) business days of the Buyer's request, execute and deliver an authorization reasonably required by the Buyer to authorize government authorities to release to the Buyer any information which such authorities may have on their records relating to the Property provided no requests to complete any inspections will be permitted or requested.

5. DUE DILIGENCE CONDITION

The obligation of the Buyer to complete the transaction contemplated by this Agreement is conditional upon the Buyer being satisfied in its sole, absolute and unfettered discretion or waiving the following condition (the "**Due Diligence Condition**"):

a) on or before the date that is Sixty (60) days from the date that this Agreement has been executed by both Parties (the "**Due Diligence Date**"), the Buyer shall have conducted whatever searches, investigations, reviews, inspections and inquiries the Buyer, deems advisable with respect to the Property including, without limitation, physical and engineering inspections of the Property, compliance with all applicable laws and regulations, any agreement with third parties affecting the Property, environmental audits (including without limitation Phase I and Phase II environmental testing), soil tests, development potential, zoning, rezoning, status of title and the status of the development and any other matters of interest to the Buyer with respect to the Property and shall be satisfied, in its sole discretion, with the foregoing, its review of title (including the Permitted Encumbrances), and the Delivery Materials (the "**Due Diligence Condition**").

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): INITIALS OF SELLER(S):

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In the event the Due Diligence Condition is not waived by the Buyer by notice in writing to the Seller on or before the Due Diligence Date, this Agreement shall be automatically terminated and null and void and of no further force or effect, and the Deposit and any accrued interest thereon shall be returned to the Buyer.

6. TITLE

The Buyer shall be allowed until the Fifteenth (15th) day prior to the Closing Date (the "**Requisition Date**") to investigate the title at its own expense. If, on or before the Requisition Date, it shall deliver to the Seller a notice in writing of any valid objection to the title of the Property which the Seller is unable or unwilling to remove, remedy or satisfy and which the Buyer will not waive, this Agreement, notwithstanding any intermediate acts or negotiations, will terminate, in which event the Deposit shall be returned to the Buyer and the parties will have no further obligations to, nor rights against, the other in respect of this Agreement except to the extent expressly stated to survive termination.

Save as to any valid objections so made within such time and any objection going to the root of title, the Buyer will be conclusively deemed to have accepted title to the Property, provided that the Buyer has the right to make further objections arising out of or in respect of any registration against title to the Property other than Permitted Encumbrances occurring on or after the Requisition Date.

7. CLOSING DATE

The closing of the purchase and sale of the Property pursuant to this Agreement shall be completed thirty (30) days following the waiver or satisfaction of the Due Diligence Condition (the "**Closing Date**").

8. ASSIGNMENT

The Buyer shall have the right to assign the benefits and obligations of this Agreement upon written notice to the Seller, to be delivered no later than ten (10) business days prior to the Closing Date, together with the assignee's assumption of the Buyer's rights and obligations hereunder, provided that the original Buyer shall not be released from any obligations and liabilities hereunder.

9. HARMONIZED SALES TAX

The Seller and the Buyer (or any party permitted to acquire a beneficial interest in the Property pursuant to this Agreement (the "**Beneficial Owner**")) shall be registered under Subdivision d of Division V of Part IX of the Excise Tax Act (Canada) (the "**Act**") and the parties to this Agreement acknowledge that the Property is not a residential complex for the purposes of the Act. The Seller acknowledges that the Buyer will not be remitting to the Seller harmonized sales tax ("**HST**") pursuant to the Act. The Buyer agrees to indemnify and save harmless the Seller from any HST payable in respect of this transaction pursuant to the Act, and any penalties, interest or other amounts which may be payable by or assessed against the Seller under the Act as a result of or in connection with the Seller's failure to collect and remit any such HST. The Buyer agrees to provide, on Closing, a separate declaration and indemnity on the terms contained herein where the Buyer elects not to remit the HST payable in respect to this transaction directly to the Seller.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): MB   INITIALS OF SELLER(S):

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Schedule to Agreement of Purchase and Sale

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10. REAL ESTATE COMMISSIONS

The Seller will be responsible for paying the commission or fee payable to any real estate agent or broker which the Seller has retained in connection with the transaction.

11. CONFIDENTIALITY

Each of the parties agrees that until Closing (and in the event this Agreement is terminated for any reason, also from and after such termination) it will keep in strict confidence:

a) All information, documents and materials relating to the other party and the Property which it has obtained from the other party or any of the other party's representatives, agents, consultants, advisors or solicitors whether pursuant to this Agreement or prior to the date hereof; and (ii) the terms of this Agreement (collectively, the "**Confidential Information**");

b) The parties may disclose Confidential Information to each of their representatives, agents, consultants, advisors and the solicitors for the purposes of completing the transaction, provided that, in each instance, the disclosing party shall instruct all such recipients of Confidential Information to comply with the provisions of this section; and the disclosing party will be responsible and liable for any failure by any such Person to comply with the provisions of this section;

c) In the event the transaction is not consummated for any reason, the Buyer shall keep in strict confidence all Confidential Information and shall promptly return to the Seller or destroy all documents and materials relating to the Seller or the Property which have been provided to the Buyer by or on behalf of the Seller, whether pursuant to this Agreement or prior to the date hereof, including all copies thereof.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): INITIALS OF SELLER(S):

SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE

For 3143 19th Avenue Markham, Ontario L6C 1L8 (Address for the "Property") ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER PO[redacted]

Sale to [redacted]______________(Buyer[s])

The following terms replace, modify or add to other terms of the Agreement of Purchase and Sale to which it is appended. The terms in this Schedule override any other term or condition of the agreement. Any matter provided for in this Schedule as well as any other part of the Agreement shall be settled by a broad construction of the applicable term in this Schedule.

1. The description of the Property is believed by the Seller to be correct but if any statement, misstatement, error or omission shall be found in the particulars thereof, the same shall not annul or terminate the sale nor entitle the Buyer to be relieved of any obligation hereunder, nor shall any compensation or abatement in the Purchase Price be allowed to either the Seller or the Buyer in respect thereof.

2. The Buyer acknowledges that the Seller is selling the lands and premises to the Buyer in exercise of the Power of Sale provisions contained in a mortgage (the "Mortgage") the Seller holds on the Property. The Buyer agrees to accept title pursuant to the rights of the Seller under its mortgage and in accordance with the terms of the Mortgage and Part III of the Mortgages Act (Ontario), as same may be amended from time to time.

3. The Seller represents herein that there is a default under the terms of its mortgage as of the date hereof which default entitles the Seller to exercise its rights of Power of Sale. The Transfer/Deed shall exclude the implied covenants in Subsection 5(1) (i) (ii) and (iii) of the Land Registration Reform Act (Ontario). The Transfer/Deed shall contain the appropriate statements as determined by the solicitor for the Seller that the sale herein complies with the provisions of the Charge/Mortgage and the Mortgages Act of Ontario.

4. The Buyer shall purchase the Property as it exists at the present time without representation, warranty or condition with respect to the fitness, condition, zoning or lawful use of the Property. The Seller makes no representations or warranty with respect to any defects in workmanship, state of repair or location of structures, walls, retaining walls or fences (freestanding or otherwise). The Seller shall *have* no responsibility whatsoever to remedy any defect, comply with any work orders, or complete any unfinished work. The Buyer will accept the Property "as is" on the day of closing and acknowledges that it has relied entirely upon its own inspections and investigations with respect to the quantity, quality and value of the Property. The Seller shall not be required to discharge any mortgages, liens or other encumbrances registered subsequent to the Charge/Mortgage of Land under which the Power of Sale is being exercised.

5. The Buyer agrees that the Seller may, in its absolute discretion accept, on or before the closing date or any extension thereof, redemption of the Mortgage in whole or in part, by any party having an interest in the Property and, thereupon, the Seller may terminate this agreement without liability of any kind to the Buyer.

6. The Buyer agrees to accept the Property regardless of any order affecting the Property regarding its condition or use (including deficiency or other notices, compliance requests, work and other orders) and subject to all judicial, municipal or any other governmental by- laws, agreements, restrictions (registered or unregistered), or orders as well as any registered restriction agreements or covenants which run with the land. Without limiting the generality of the foregoing, the Buyer agrees to accept title to the Property subject to any registered Notices of Security Interest, any easements in favour of any utility and further agrees to accept any standard municipal subdivision agreements with the Municipality registered on the title to the Property, providing each has been complied with, or providing security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant Municipality. The Buyer further agrees to accept the Property subject to rights of way, easements, covenants that run with the land or minor encroachments by buildings or fences on the subject Property or adjoining properties or streets, all municipal and other development and sewer levies, fees, imposts and charges and all amounts added to the tax roll (other than realty taxes imposed on the assessment of the Property and public utilities which are a lien prior to the Mortgage), in all cases regardless or whether there is compliance. If the Property is oil heated, the Buyer accepts the oil tank in its "as is" condition.

7. In the event any issue is raised with respect to the exercise of the Power of Sale by the Seller which affects the Seller's ability to transfer title to the Property in accordance with this Agreement by requisition, notice, certificate of pending litigation or any other manner, or if vacant possession cannot be provided, the Seller may at its option extend the closing date for a period or periods of time not exceeding 50 days in total. If the Seller is unable to resolve any such issue by the expiry of the extension period or periods, the Seller at its sole option may terminate this Agreement without liability of any kind to the Buyer and the deposit returned without interest or deduction.

8. Notwithstanding any other clauses set out in this Agreement, the purchase price herein shall not include any chattels. The Seller agrees to sell only such interest as it may have in the fixtures and chattels as referred to in the Agreement of Purchase and Sale and/or located on the Property and does not guarantee title to the chattels nor does it warrant the condition or state of repair of the chattels. The Seller shall deliver possession of the said fixtures and chattels found on the Property "as is" on closing without bill of sale, warranty, security interest discharge, or title documentation and shall make no further adjustments or abatements in the purchase price with respect thereto. The Seller shall not be obligated to remove any chattels prior to closing.

9. The Seller covenants that it has done no act to encumber the Property as at the date hereof and the Seller covenants that it shall do no act to encumber the Property from the date of acceptance hereof to the date of closing. The Seller shall not sell or dispose of the Property between the date hereof and the date of closing. The Seller shall not be required to furnish or produce any abstract, deed, declaration or other document or evidence of the title except those in its possession.

1 o. Where a Court of competent jurisdiction prevents the completion of the within sale by an interim, interlocutory, permanent injunction or otherwise, then the Seller (Mortgagee) is not obligated to complete the said transaction and this Agreement is to be terminated as being null and void and the deposit shall be returned to the Buyer without interest or deduction. In no event shall the Seller be responsible for any costs, expenses,

loss or damages incurred or suffered by the Buyer in any way related to this Agreement.

11. The Buyer agrees to assume all existing tenancies affecting the Property and the Seller shall provide to the Buyer on closing any documentation relating to those tenancies which it has in its possession. The Seller makes no representation whatsoever with respect to any tenancy or occupancy of the Property or as to the compliance of the existing rents with existing rent control legislation. The Seller shall not be required to provide any documentation signed by tenant(s) confirming the status of the tenancy/ies or occupancy. The Seller shall further not be obligated to provide any credit or other adjustment to the Buyer on closing for any current or pre-paid rent, interest, or other adjustments respecting any tenancy other than for rent actually received by the Seller. Where the Buyer provides the Seller with a swom declaration pursuant to Section 53 of the Mortgages Act that the Buyer requires possession for personal or family occupancy, the Seller will serve the tenants with a Notice of Termination in the prescribed manner, but the Seller shall not be required to take any further action on behalf of the Buyer to seek or recover vacant possession of the Property, which shall remain the Buyer's responsibility.

12. Notwithstanding any other clauses in this Agreement, the Seller makes no representation whatsoever as to whether the Property has been insulated with Urea Formaldehyde Foam Insulation or whether the Property contains any other substances that may be hazardous or toxic or toxic within the meaning of the Environmental Protection Act (Ontario).

13. If this transaction is subject to Harmonized Sales Tax (HST), then such HST shall be in addition to and not included in the purchase price. The Seller shall not supply any Warranty, Statutory Declaration or Certificate with respect to the subject Property's status as a used residential property or as to whether this transaction is an exempt supply in accordance with the provisions of the Excise Tax Act (Part VII) (HST). The Buyer further indemnifies and saves harmless the Vendor and its solicitors, from all claims that may be made in connection with any HST which may be applicable to this transaction. The Seller shall not be responsible to provide any certificates with respect to the applicability of HST to the transaction. Provided, however, that the Seller is solely responsible for the payment of HST on the amount of any real estate commission payable by the Seller hereunder.

14. Notwithstanding any statement to the contrary contained in the Agreement of Purchase and Sale, the Seller shall not be obligated to obtain or provide any survey of the subject Property save as may actually be in the possession of the Seller.

15. The Buyer herein represents and warrants that it has no association with, is not acting on behalf of, nor is it related to the Mortgagor/registered owner of the subject Property whose mortgage is in default and pursuant to which mortgage the Seller is selling the Property under Power of Sale. This representation and warranty shall survive the closing of the within transaction.

16. Post-closing adjustments will only be made if brought to the Seller's attention within 30 days of the date of closing, otherwise there will be no adjustments whatsoever after closing, including without limiting the foregoing, adjustments for realty taxes, business taxes, property assessments, sewer levies, water, hydro and utilities.

17. If the Property is a condominium, notwithstanding anything to the contrary in this Agreement, the Seller makes no representations and warranties about condominium matters, including current expenses, potential special assessments or legal actions pending against the condominium corporation, if any, and the Buyer shall not be entitled to terminate or to any abatement or damages relating to these matters. If any special assessments are levied and outstanding, the Seller is responsible for amounts payable on account thereof only for its period of possession until closing.

18. The Seller states and the Buyer acknowledges that the Seller is not and will not be at time of closing a non-resident of Canada as defined by the Income Tax Act; the Seller will not provide any affidavit evidence with respect thereto.

19. Where the provisions of this Schedule conflict with any terms in the Agreement of Purchase and Sale, the parties agree that the provisions of this Schedule shall govern and prevail.

20. Acceptance of this offer by either party and communication of same by facsimile transmission shall be binding upon each party as if such documents transmitted were original executed documents. Where available, title shall be conveyed electronically. Whether conveyed electronically or in the manner required by the Director of Titles, the Buyer shall accept the prescribed solicitor's statements attached to the transfer as conclusive evidence of compliance with the Mortgages Act and other applicable legislation. The Seller will not provide any affidavit evidence in support of compliance. At the Seller's option, the Buyer shall deliver all closing funds through the Teranet Closure System and all costs and fees of delivering the closing funds in such manner shall be paid for by the Buyer.

21. Upon termination of this Agreement by reason of default of the Buyer, the deposit together with any interest herein shall be paid to the Seller by the Seller's Agent forthwith without any further direction or consent from the Buyer being required, and the Buyer shall not direct or cause or attempt to cause the Seller's Agent to do otherwise.

Per:____________ Seller	____________ Date
Per:____________ Buyer	July 18 2023 Date

OREA Ontario Real Estate Association

Form 505
for use in the Province of Ontario

Schedule C
Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: [redacted], and

SELLER: ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE)

for the purchase and sale of 3143 19TH AVENUE MARKHAM ON L6C 1L8

dated the 18 day of JULY, 2023

LEGAL DESCRIPTIONS:

PIN: 03055-0377 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770; CITY OF MARKHAM

PIN: 03055-0379 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770; CITY OF MARKHAM

PIN: 03055-0380 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM

The Buyer and Seller acknowledges and agrees that the deposit holder (Royal LePage Your Community Realty Brokerage) discloses that the depositor's funds are being held in a variable interest rate account "In Trust", as specified by the Real Estate Business Brokers Act 2002 section 27, at the current rate of prime less 2.15%. The Brokerage calculates and disburses all interest earned for the benefit of all Depositors (Buyers) unless otherwise directed in writing by the Depositor (Buyer).The interest earned on all deposits is subject to an administration fee of ninety five dollars ($95.00) plus HST per deposit or further deposits. In the event the interest earned does not exceed Ninety Five dollars ($95.00)such interest shall be retained by the Brokerage as full payment of the administration fee (no accounting statement will be provided). No interest shall be paid to the Buyer unless the Buyer provides the deposit holder with a Social Insurance Number and mailing address for use on the T5 forms prior to completion of this transaction. For all purposes of this notice, the terms "banking days" or "business days" shall mean any day other than a Saturday, Sunday or Statutory Holiday in the Province of Ontario.

The Seller and Buyer agree and acknowledge that all measurements and information provided by Royal LePage Your Community Realty on the MLS listing, Feature Sheets, and any other marketing materials for the subject property, have been supplied for reference purposes only and such Royal LePage Your Community Realty does not warrant their accuracy. The Buyer is advised to verify any measurements or information upon which he or she is relying.

In accordance with the Privacy Act (PIPEDA), the Buyers and the Sellers hereby agree to allow the Listing Brokerage and their Representatives to distribute information pertaining to the sale of the property in future marketing material upon this Agreement becoming firm and binding. Such information may include the price or sold price percentage in relation to asking price, picture, and address of the home, but shall not include the names or personal information about the Buyer or Seller.

Buyer/Buyer agent to verify: Vacant Land Acres and Taxes.

(A) + (B) (A)- Subject to below, the Buyer represents and warrants that the Buyer is not and on completion will not be a non-Canadian as defined by the Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada) (the "Foreign Buyer Ban"), and therefore the Buyer is not prohibited from purchasing residential property in Canada.
(B)- Provided that if the Buyer is a non-Canadian as defined by the Foreign Buyer Ban, the Buyer represents and warrants that the Buyer qualifies for an exception under Section 4 of the Foreign Buyer Ban and is therefore not prohibited from purchasing residential property in Canada. These representations and warranties shall survive and shall not merge on closing. The Buyer hereby indemnifies the Seller against any costs, claims, or any other damages incurred by the Seller as a result of the Buyer being prohibited from purchasing residential property under the Foreign Buyer Ban.

The Buyer understands, acknowledges and agrees that the subject property/vacant land is being sold 'As Is, Where Is.'
The Seller, Listing Agents and Listing Brokerage do not make any warranty or representation of any kind, including total developable Acres of Land and/or total Acres being sold.

The Buyer aknowledges having had the opportunity to conduct due diligence and the opportunity to seek independent Legal Counsel advice.

This form must be initialled by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): INITIALS OF SELLER(S):

OREA Ontario Real Estate Association

Form 320
for use in the Province of Ontario

Confirmation of Co-operation and Representation Buyer/Seller

BUYER: [redacted]

SELLER: ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE)

For the transaction on the property known as: 3143 19TH AVENUE MARKHAM, ONTARIO

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation:
"Seller" includes a vendor, a landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

a) ☒ The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:

1) ☐ The Listing Brokerage is not representing or providing Customer Service to the Buyer.
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)

2) ☐ The Listing Brokerage is providing Customer Service to the Buyer.

b) ☐ **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:

- That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
- The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- The price the Buyer should offer or the price the Seller should accept;
- And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g., The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

☐ The Brokerage .... (does/does not) represent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid

☐ by the Seller in accordance with a Seller Customer Service Agreement

or: ☐ by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g., The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

BUYER	CO-OPERATING/BUYER BROKERAGE	SELLER	LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE - REPRESENTATION:

a) [X] The Co-operating Brokerage represents the interests of the Buyer in this transaction.

b) [ ] The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.

c) [ ] The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE - COMMISSION:

a) [X] The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property 1% + HST to be paid from the amount paid by the Seller to the Listing Brokerage.
(Commission As Indicated In MLS® Information)

b) [ ] The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

[redacted] (Name of Co-operating/Buyer Brokerage)	ROYAL LEPAGE YOUR COMMUNITY REALTY BROKERAGE (Name of Listing Brokerage)
[redacted]	
Tel.: [redacted] Fax:	Tel.: Fax:
(Authorized to bind the Co-operating/Buyer Brokerage) (Date)	(Authorized to bind the Listing Brokerage) (Date)
Max Brenzel & Christian Mazzanti (Print Name of Salesperson/Broker/Broker of Record)	(Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

The Buyer and Seller consent with their initials to their Brokerage representing more than one client for this transaction.

INITIALS OF BUYER(S) INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

(Signature of ~~Buyer~~) Seller	(Date)	(Signature of ~~Seller~~) Buyer	July 18/23 (Date)
(Signature of Buyer)	(Date)	(Signature of Seller)	(Date)

[redacted]

July 17, 2023

Romspen Investment Corporation (As Trustee Under Power of Sale)
c/o Royal LePage Your Community Realty., Brokerage
8854 Yonge Street
Richmond Hill, ON L4C 0T4

Attention: Laura Cormaggi
Via Email

Dear Laura:

Re: 3143 19th Ave, Markham, ON

This letter outlines our interest in negotiating the terms of an agreement of purchase and sale (the "Agreement") with Romspen Investment Corporation (As Trustee Under Power of Sale) (the "Vendor") for the acquisition of a 100% freehold interest in the land and building(s) as more particularly described in Schedule "A" (the "Property"). This letter represents an expression of interest only and summarizes the key financial and business terms for consideration by the Vendor and is not intended to be an agreement binding upon any of the parties. The terms below are subject to the execution and the delivery by the parties of a binding Agreement in respect to the acquisition of the Property.

1. PROPERTY

The Property is comprised of:
i) Approximately 80 acres, less green space, waterways, etc, resulting in usable area of approximately 66 acres

2. PURCHASER

[redacted] will be the entity named as purchaser under the Agreement, and shall be entitled, without the Vendor's consent, to assign the Agreement to one or more of its clients and/or other investors and which entity or entities shall ultimately be the owner of the Property (the "Purchaser"). Upon such assignment [redacted] will be released of all obligations and liabilities under the Agreement.

3. PURCHASE PRICE

The purchase price (the "Purchase Price") of the Property shall be [redacted] payable on the Closing Date, subject to customary, or otherwise agreed upon adjustments. The Purchase Price will be paid as follows:

i) a refundable deposit (the "First Deposit") in the amount of $2,000,000 payable within five (5) business days of execution of the Agreement;
ii) a further deposit (the "Second Deposit") in the amount of $4,000,000 payable within five (5) business days of waiver of any and all of the Purchaser's conditions as will be described in the Agreement;
iii) the balance of the Purchase Price payable on the Closing Date by way of wire transfer and subject to all customary, or otherwise agreed upon adjustments.

Royal LePage

The First Deposit and the Second Deposit (the "Deposits") will be made payable to the Vendor's Agent ~~solicitors~~, in trust, and shall be held in an interest-bearing account. On the Closing Date, the Deposits and any interest accrued thereon shall be credited against the Purchase Price.

4. AGREEMENT OF PURCHASE AND SALE

Immediately after the acceptance of this letter, the Vendor and the Purchaser will proceed in good faith to negotiate and finalize the terms of the Agreement including the terms outlined herein and other terms and conditions mutually acceptable to the Vendor and Purchaser. If the parties do not execute the Agreement within fifteen (15) business days (the "Negotiation Period") after mutual acceptance of this letter, this letter shall terminate and be null and void. Purchaser's counsel will be responsible for preparing the initial form of the Agreement.

5. CONDITIONAL PERIOD

The Agreement will provide that the Purchaser will have until 5:00 p.m. (EST) on the day which is forty-five (45) days following the later of: (i) the execution date of the Agreement; or (ii) the first business day following the date that the Vendor has delivered to the Purchaser all of the documents and materials required to be delivered in the Agreement accompanied by a certificate confirming that it has provided all such deliveries to investigate all aspects of the Property (the "Condition Period"). Notwithstanding the above, concurrently with the acceptance of this letter, the Vendor will make available to the Purchaser all relevant information and documentation in its possession and control with respect to the Property and will grant the Purchaser access to the Property (subject to the rights of tenants in possession contained in their respective leases) for the purpose of performing all tests and inspections deemed necessary by the Purchaser in its sole discretion, including without limitation, physical, financial, insurance, title, environmental and contractual/legal inspections and review ("the Investigations"), all of which will be set out in the Agreement and the results of which must be entirely satisfactory to the Purchaser, in its sole discretion.

The Vendor consents to all such tests and inspections and agrees to cooperate fully in respect thereof. All tests and inspections conducted shall be at the sole risk and expense of the Purchaser, who shall be responsible for making all repairs that may be necessary as a result of such tests. If the Purchaser is not satisfied in its sole, absolute and unfettered discretion with the results of its Investigations, the future development of the Property, the economic feasibility thereof, or if the Purchaser does not obtain investment committee approval (the "Purchaser's Conditions"), and if, prior to the expiry of the Condition Period, the Purchaser does not deliver a notice to the Vendor that it is satisfied with respect to or waived the Purchaser's Conditions, the Agreement shall terminate and be at an end.

6. REAL ESTATE COMMISSIONS

The Vendor acknowledges and agrees that it shall be solely responsible for any commissions, fees or other similar payments payable to any agent or broker (including Royal LePage) who worked with or was retained or engaged by or on behalf of the Vendor in respect of the purchase and sale of the Property. Avison Young represents the Purchaser and will be compensated via a cooperating brokerage agreement with Royal LePage.

7. PURCHASER CLOSING CONDITIONS

In addition to the conditions set out above, the Purchaser's obligations under the Agreement shall be conditional upon satisfaction of the usual closing conditions, including the following:

i) delivery by the Vendor on the Closing Date of a good and marketable title in fee simple to the Property, free and clear of all encumbrances, save for those permitted encumbrances expressly accepted by the Purchaser, to be set out in the Agreement;

ii) the Vendor, at its own cost and expense, terminating by the Closing Date, all management and service contracts not being assumed by the Purchaser. The list of contracts shall be included in the Vendor's deliveries and the Purchaser shall notify the Vendor which contracts the Purchaser elects to assume on the Closing Date (if any) within three (3) business days of the Condition Period; and

iii) other closing conditions to be specified in the Agreement.

8. CLOSING

The closing date shall occur thirty (30) days after the waiver by the Purchaser of the Purchaser's Conditions (the "Closing Date"), provided if such day is not a business day then the Closing Date shall be the first business day thereafter.

9. NOTICES

Any notice to be given under or in connection with this letter shall be in writing and shall be given by personal delivery or by electronic mail, addressed or sent as set out below:

i) Purchaser: [redacted]

[redacted]

ii) Vendor: Romspen Investment Corporation (As Trustee Under Power of Sale)
c/o Royal LePage Your Community Realty, Brokerage
8854 Yonge Street, Richmond Hill, ON L4C 0T4
Attention: Laura Cormaggi, Sales Rep; lauracormaggi@royallepage.ca

10. CONFIDENTIALITY

The Vendor agrees that the terms of this letter shall remain in confidence and shall not be disclosed to any other party without the consent of the Purchaser (other than the professional advisors to the Vendor hereto, provided that such parties agree to maintain the confidential nature of this letter as aforesaid).

11. GENERAL

The foregoing provisions of this letter set forth the initial business understanding between us and do not create legally binding obligations.

Upon execution of this letter until the expiration of the Negotiation Period, the Vendor agrees to cease advertising or negotiating with any other party for the sale of the Property.

This expression of interest may be terminated by i) mutual agreement at any time, or ii) either party after expiration of the Negotiation Period, provided the Agreement is not executed.

If the terms of this letter are satisfactory to you, please so signify by signing and returning a copy of the letter to us by no later than July 21, 2023, at 5:00PM EST.

Yours very truly,

[redacted]

Romspen Investment Corporation (As Trustee Under Power of Sale) accepts and agrees to the terms of this letter.

Accepted this 17th day of July, 2023.

Per: ____________________

Name: MARY GANFRIDDO

Title: Managing General Partner

I have authority to bind the corporation.

[redacted]

SCHEDULE "A"

EXISTING IMPROVEMENTS

3143 19th Ave, Markham, ON

LEGAL DESCRIPTION

PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770 CITY OF MARKHAM

PART LOT 30, CONCESSION 4, PARTS 2, 6 & 7 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770 CITY OF MARKHAM

PART LOT 30, CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770 CITY OF MARKHAM

0925

Ontario Real Estate Association

Form 320
for use in the Province of Ontario

Confirmation of Co-operation and Representation
Buyer/Seller

BUYER: [redacted].

SELLER: Romspen Investment Corporation

For the transaction on the property known as: 3143 19th Ave Markham ON L6C1L8

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation:
"Seller" includes a vendor, a landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

a) ☒ The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:

1) ☒ The Listing Brokerage is not representing or providing Customer Service to the Buyer.
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)

2) ☐ The Listing Brokerage is providing Customer Service to the Buyer.

b) ☐ **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:

- That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
- The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- The price the Buyer should offer or the price the Seller should accept;
- And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g., The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

☐ The Brokerage ....represent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid
(does/does not)

☐ by the Seller in accordance with a Seller Customer Service Agreement

or: ☐ by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g., The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

[redacted]

DS MG
SELLER

DS LC
LISTING BROKERAGE

3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE - REPRESENTATION:

a) ☒ The Co-operating Brokerage represents the interests of the Buyer in this transaction.

b) ☐ The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.

c) ☐ The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE - COMMISSION:

a) ☒ The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property

1% + HST to be paid from the amount paid by the Seller to the Listing Brokerage.
(Commission As Indicated In MLS® Information)

b) ☐ The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

[redacted]

Royal LePage Your Community Realty
(Name of Listing Brokerage)

8854 Yonge St Richmond Hill ON L4C 0T4

Tel: 905-731-2000 Fax: 905-886-7556

DocuSigned by:
Laura Cormaggi
113F0A72B640470... 7/19/2023 | 15:05 EDT
(Authorized to bind the Listing Brokerage) (Date)

Laura Cormaggi / Frank Cormaggi
(Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION **(To be completed only if the Brokerage represents more than one client for the transaction)**

The Buyer and Seller consent with their initials to their Brokerage representing more than one client for this transaction.

INITIALS OF BUYER(S) **INITIALS OF SELLER(S)**

ACKNOWLEDGEMENT

[redacted]**stand the above information.**

		DocuSigned by: Mary Gianfriddo B3BCFAEB87944E4...	7/19/2023 | 23:19 EDT
(Signature of Buyer)	(Date)	(Signature of Seller)	(Date)
(Signature of Buyer)	(Date)	(Signature of Seller)	(Date)

This is Exhibit "D" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

OREA Ontario Real Estate Association

Agreement of Purchase and Sale
Commercial

Form 500
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 15th day of September, 20 23

BUYER: TIMES 1010 INC. (Full legal names of all Buyers), agrees to purchase from

SELLER: ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE) (Full legal names of all Sellers), the following

REAL PROPERTY:

Address 3143 19th Avenue, Markham, ONTARIO L6C 1L8

fronting on the .... side of ....

in the City of Markham

and having a frontage of .... more or less by a depth of .... more or less

and legally described as
as per Schedule "A"
(Legal description of land including easements not described elsewhere) (the "property")

PURCHASE PRICE: Dollars (CDN$) [redacted]

[redacted] Dollars

DEPOSIT: Buyer submits as per Schedule "A" (Herewith/Upon Acceptance/as otherwise described in this Agreement)

ML HG .... Dollars (CDN$) ....

by ~~negotiable cheque payable~~ wire transfer to Dickinson Wright LLP, In Trust "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A B, C, D and E **attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by HG ML SELLER ~~Buyer~~ (Seller/Buyer) until 5:00 (a.m./p.m.) X on the 18th day of September, 20 23, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the .... day of .... Per Schedule A, 20............ Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): HG **INITIALS OF SELLERS(S):** ML

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: See Schedule A (For delivery of Documents to Seller) FAX No.: .... (For delivery of Documents to Buyer)

Email Address: .... (For delivery of Documents to Seller) Email Address: .... (For delivery of Documents to Buyer)

4. **CHATTELS INCLUDED:**

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): DS HG **INITIALS OF SELLERS(S):** DS MG

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the .... day of ....Per Schedule A........, 20................, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (..) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

DS HG
DS MG ~~13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.~~

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S): DS HG **INITIALS OF SELLERS(S):** DS MG

15. PLANNING ACT: This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

16. DOCUMENT PREPARATION: The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.

17. RESIDENCY: (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.

18. ADJUSTMENTS: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.

19. TIME LIMITS: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.

20. PROPERTY ASSESSMENT: The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.

21. TENDER: Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

DS HG
DS MG

~~**22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.~~

DS MG

~~**23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.~~

DS HG

24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.

25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.

26. AGREEMENT IN WRITING: If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.

27. ELECTRONIC SIGNATURES: The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time with respect to this Agreement and any other documents respecting this transaction.

28. TIME AND DATE: Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S): DS HG **INITIALS OF SELLERS(S):** DS MG

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29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

TIMES 1010 INC.

(Witness)	Hashem Ghadaki (Buyer/Authorized Signing Officer)	(Seal)	9/15/2023 (Date)
(Witness)	(Buyer/Authorized Signing Officer)	(Seal)	(Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

ROMSPEN INVESTMENT CORPORATION (as trustee under power of sale)

(Witness)	Mary Gianfriddo (Seller/Authorized Signing Officer)	(Seal)	9/15/2023 | 16:17 EDT (Date)
(Witness)	(Seller/Authorized Signing Officer)	(Seal)	(Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)	(Spouse)	(Seal)	(Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 9/18/2023 (a.m./p.m.) this .... day of ...., 20........

Hashem Ghadaki
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage Royal LePage Your Community Realty Brokerage 905-731-2000 (Tel.No.)

8854 YONGE STREET RICHMOND HILL, ON L4C 0T4

(Salesperson/Broker/Broker of Record Name)

Co-op/Buyer Brokerage .... (Tel.No.)

(Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.	I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
(Seller) Romspen Investment Corporation (as trustee under power of sale) (Date)	Hashem Ghadaki (Buyer) Times 1010 Inc. 9/15/2023 (Date)
(Seller) (Date)	(Buyer) (Date)
Address for Service	Address for Service
(Tel. No.)	(Tel. No.)
Seller's Lawyer Dickinson Wright LLP - David Preger, Lisa Corne, & Paul Muchnik	Buyer's Lawyer Owens Wright LLP - Ali Daneshvar
Address	Address 300, 20 Holly Street, Toronto, ON M4S 3B1
Email DPreger@dickinson-wright.com PMuchnik@dickinson-wright.com LCorne@dickinson-wright.com	Email adaneshvar@owenswright.com
416-646-4606 (Tel. No.) (Fax. No.)	416 484 8674 (Tel. No.) 416 486 3309 (Fax. No.)

FOR OFFICE USE ONLY **COMMISSION TRUST AGREEMENT**

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:

Laura Cormaggi
(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)

OREA Ontario Real Estate Association

Form 500
for use in the Province of Ontario

Schedule A
Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: TIMES 1010 INC., and

SELLER: ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE)

for the purchase and sale of 3143 19th Avenue, Markham, ONTARIC L6C 1L8 Markham

dated the 15th day of September, 20 23

Buyer agrees to pay the balance as follows:

See Schedule "A".

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): HG **INITIALS OF SELLERS(S):** MG

Schedule "A" to the agreement of purchase and sale regarding 3143 19th Avenue, Markham, Ontario between TIMES 1010 INC., as Buyer, and ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE), as Seller.

1. The following terms shall have, for all purposes of the Agreement, the following meanings:

   a. "**Agreement**" means collectively, the OREA Form, all schedules and exhibits attached thereto;
   b. "**Approval and Vesting Order**" means an order or orders made by the Court approving this Agreement and the herein contemplated transaction and vesting in the Buyer or to whomever it may direct all the right, title and interest of TUNG KEE INVESTMENT CANADA LTD. in the Property free and clear of all Encumbrances (except for the Permitted Encumbrances), in form and substance satisfactory to the Receiver and the Buyer, acting reasonably. For greater certainty, the vesting portion of the "Approval and Vesting Order" shall be substantially in the form of the model of approval and vesting order approved by the "Ontario Commercial List Users Committee";
   c. "**Assignee**" has the meaning ascribed thereto in Section 12 of this Schedule "A";
   d. "**Business Day**" means a day of the week other than a Saturday, Sunday, statutory or civic holiday, in the Province of Ontario;
   e. "**Buyer's Conditions**" has the meaning ascribed thereto in Section 7(a) of this Schedule "A";
   f. "**Buyer's Condition Date**" has the meaning ascribed thereto in Section 7(a) of this Schedule "A";
   g. "**Closing**", "**closing**", "**Closing Date**", "**closing date**", "**Completion**", "**completion**", "**Completion Date**" and "**completion date**" each mean the completion date set out in Section 4 of this Schedule "A";
   h. "**Court**" means the Ontario Superior Court of Justice (Commercial List);
   i. "**Deposit**" shall, collectively, mean the First Deposit and Second Deposit;
   j. "**Encumbrance**" means any mortgage, charge, pledge, hypothecation, lease, security interest, trust, deemed trust (statutory or otherwise) assignment, lien (statutory or otherwise), claim, title retention agreement or arrangement, restrictive covenant, rights of way, easements, encroachments, reserves, or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation;
   k. "**First Deposit**" has the meaning ascribed thereto in Section 3 (a) of this Schedule "A";
   l. "**H.S.T.**" means the Harmonized Sales Tax under the *Excise Tax Act* (Canada);
   m. "**Leases**" means all offers to lease, agreements to lease, leases, rental agreements, renewal or amendments thereto, and other rights or licences granted by or on behalf of the Seller or its predecessor in title to possess or occupy space within the Property, in each case as amended, renewed or otherwise varied, and guarantees, letters of credit and/or indemnities of the obligations thereunder; "**Lease**" means any one of the Leases;

Initials of Buyer: HG Initials of Seller: MG

n. "**Mortgage**" means, collectively, the charge registered against title to PINs 03055-0379 (LT) and 03055-0380 (LT) on August 30, 2022 in favour of the Seller as Instrument No. YR3470724, and the charge registered against title to PIN 03055-0377 (LT) on January 27, 2022 in favour of the Seller as Instrument No. YR3373212;
o. "**Permitted Encumbrances**" means those Encumbrances listed in Schedule "E" attached hereto;
p. "**Property**" means collectively, the lands and premises, together with all fixtures (excluding Seller trade fixtures), alterations, additions and appurtenances whatsoever and all chattels belonging to the Seller and included in the Purchase Price, legally described as firstly, PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS INYR3454770; CITY OF MARKHAM, being all of PIN 03055-0377 (LT), secondly, PART LOT 30, CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS INYR3455770; CITY OF MARKHAM, being all of PIN 03055-0379 (LT), and thirdly, PART LOT 30, CONCESSION 4, PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM, being all of PIN 03055-0380 (LT);
q. "**Receiver**" means, if applicable, a court appointed receiver of the assets, undertakings and properties of TUNG KEE INVESTMENT CANADA LTD., including, but not limited to the Property, pursuant to a Court order to be registered on title to the Property;
r. "**Receiver's Certificate**" has the meaning ascribed thereto in Section 10 of this Schedule "A";
s. "**Requisition Date**" has the meaning ascribed thereto in Section 6 of this Schedule "A";
t. "**Romspen**" means Romspen Investment Corporation (As Trustee Under Power of Sale);
u. "**Second Deposit**" has the meaning ascribed thereto in Section 3 (b) of this Schedule "A"; and
v. "**OREA Form**" means the OREA standard form of Commercial Agreement of Purchase and Sale to which this Schedule "A" is attached.

2. All capitalized terms not otherwise defined in this Schedule "A" shall have the meanings ascribed to them elsewhere in the Agreement.

3. **Payment of the Purchase Price**

The Purchase Price shall be payable by the Buyer to the Seller, on Closing, subject to the usual adjustments, as follows:

Initials of Buyer: HG Initials of Seller: MG

a. as to the sum of ONE MILLION ($1,00,000.00) DOLLARS (the "**First Deposit**") by electronic wire transfer delivered to the Deposit Holder, in trust, within two (2) Business Days after the execution and delivery of this Agreement by both parties, pending the completion or other termination of this Agreement and to be credited to the Buyer on account of the Purchase Price on the Closing Date;

b. as to the sum of TWO MILLION ($2,000,000.00) DOLLARS (the "**Second Deposit**") by electronic wire transfer delivered to the Deposit Holder, in trust, within two (2) Business Days following waiver of satisfaction of the Buyer's Conditions, pending the completion or other termination of this Agreement and to be credited to the Buyer on account of the Purchase Price on the Closing Date; and

c. as to the balance of the Purchase Price, by same day wire transfer delivered to the Seller's solicitors pending completion of the within transaction and payable to the Seller, or as it may direct in writing, on the Closing Date.

4. **Closing Date**

The Closing Date of this Agreement shall be November 15th, 2023 (the "**Closing Date**"). In the event the Closing Date falls on a non-Business Day, the Closing Date shall be the following Business Day.

5. **Deposit**

The Deposit shall be paid to the Seller or as the Seller may direct in writing on account of the Purchase Price upon the completion of this transaction. Following any waiver of the Buyer's Condition, should this transaction fail to be completed for any reason other than the Buyer's sole default, then the Deposit and any interest earned thereon shall forthwith and without deduction, be returned to the Buyer.

6. **Requisition Date**

The title of the Seller to the Property on Closing shall be a good and marketable title in fee simple free from all encumbrances whatsoever, including, but not limited to any mortgages.

The Buyer shall be allowed up to the Buyer's Condition Date (the "**Requisition Date**") to examine the title to the Property at its own expense. If any objection to the Seller's title to the Property is made in writing to the Seller and/or the Seller's solicitor at any time up to and including the expiry of the Requisition Date which the Seller is unable to remove, remedy or satisfy and which the Buyer will not waive, then notwithstanding any intermediate acts or negotiations with respect to such objections this Agreement shall be terminated in which case the Deposit shall be repaid to the Buyer with interest and without deduction and the parties shall have no further obligations or liabilities hereunder save for those specified to survive termination. Except for any such objections so made prior to the expiry of the Requisition Date and except for any new matter arising thereafter or going to the root of the title or any objections made thereafter in respect of any new Encumbrance, the Buyer shall be conclusively deemed to have accepted Seller's title to the Property.

7. **Buyer's Conditions**

   a. This Agreement is conditional until September 30, 2023 (the "**Buyer's Condition Date**"), upon the Buyer being satisfied in their sole, absolute, arbitrary and subjective discretion with each of the following conditions or having waived each of the following conditions (collectively, the "**Buyer's Conditions**"), each of which is for the Buyer's exclusive benefit and may be waived by the Buyer, in whole or in part at its sole, absolute, arbitrary and subjective discretion, and any one or more of which, if not satisfied or waived, will relieve the Buyer of any obligation under this Agreement:

      i. the Buyer arranging at its own expense, arranging for a Phase 1 and/or Phase 2 environmental assessment of the Property, but not limited to Phase 1 and/or Phase 2 environmental assessment of the Property, and being satisfied in the Buyer's sole, absolute, arbitrary and subjective discretion with the state and condition of the Property; and

      ii. the Buyer shall be satisfied with its due diligence review of whatever searches and investigations the Buyer, in its sole, absolute, arbitrary and subjective discretion, deems advisable with respect to the Property including, without limitation, title to the Property, zoning and development approvals, and all encumbrances thereon, physical and engineering inspections of the Property to determine, among other things, the structural condition and state of repair of any improvements located on the Property, compliance with all laws and regulations (including environmental and zoning regulations and the official plan), any agreements or contracts with third parties affecting the Property, environmental audits, and any other matters of interest to the Buyer with respect to the Property (including the economic feasibility of the within transaction) and the Buyer is satisfied, in its sole, absolute, arbitrary and subjective discretion, with the results of all such searches, investigations and analyses.

   b. The Buyer shall have until 7:00 p.m. eastern standard time on the Buyer's Condition Date to advise the Seller or the Seller's solicitor in writing whether it is satisfied with the Buyer's Conditions. If the Buyer delivers to the Seller or the Seller's solicitors written notice that it has elected not to proceed with the purchase of the Property or in the event that the Buyer does not deliver to the Seller or the Seller's solicitors written notice of its satisfaction with or waiver of the Buyer's Conditions within the aforementioned time period, then this Agreement shall be automatically terminated and the First Deposit together with all interest accrued thereon, if any, shall be returned to the Buyer forthwith, and neither party hereto shall have any further obligation or liability to the other party.

Initials of Buyer: HG Initials of Seller: HG

8. **Operation of the Property**

   a. **INTENTIONALLY DELETED.**

   b. Prior to Closing, the Seller shall not enter into any contract or agreement affecting the Property or agree to amend, modify, vary, terminate, surrender or cancel any existing agreement affecting the Property without the prior written approval of the Buyer.

9. **Closing Deliveries of Romspen**

In the event the Seller remains Romspen on Closing, Romspen shall deliver to the Buyer the following (with all documentation to be in a form satisfactory to the Buyer's solicitor):

   a. Transfer/Deed by Power of Sale for the Property in registrable form, engrossed as directed by the Buyer, with the prescribed solicitor's statements completed;

   b. an undertaking by Romspen to readjust any errors, omissions or changes in the Statement of Adjustments, provided that any post-Closing adjustments will only be made if brought to Romspen's attention, by written notice, within 30 days of the Closing, otherwise there will be no adjustments whatsoever following the Closing.

   c. a direction re: funds;

   d. a Court order providing for the following instruments to be vacated and/or deleted from title to the Property on Closing:

      i. Construction Lien registered on April 14, 2023 as Instrument No. YR3541410; and

      ii. Certificate registered on June 16, 2023 in favour of DX STRATEGIES INC. as Instrument No. YR3563830.

   e. the Transfer/Deed by Power of Sale shall provide for the following instruments to be, at the discretion of the Land Registry Office, discharged from title to the Property on Closing or validly cut out from title to the Property pursuant to the power of sale proceedings completed herein in accordance with Part III of the Mortgages Act (Ontario):

      i. Charge registered on March 26, 2020 in favour SOW CAPITAL ONTARIO LIMITED and JIAYI INTERNATIONAL INVESTMENTS LTD. as Instrument No. YR3083072;

ii. Notice of Assignment of Rents registered on March 26, 2020 in favour SOW CAPITAL ONTARIO LIMITED and JIAYI INTERNATIONAL INVESTMENTS LTD. as Instrument No. YR3083073;

iii. Transfer of Charge registered on May 7, 2021 in favour SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3247257;

iv. Notice of Assignment of Rents registered on May 7, 2021 in favour SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3247258;

v. Transfer of Charge registered on May 7, 2021 in favour F A CREDIT SOLUTIONS CANADA INC. and SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3300382;

vi. Notice of Assignment of Rents registered on January 27, 2022 in favour of ROMSPEN INVESTMENT CORPORATION as Instrument No. YR3373213;

vii. Charge registered on January 27, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3373214;

viii. Notice of Assignment of Rents registered on January 27, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3373215;

ix. Charge registered on January 27, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3373216;

x. Notice of Assignment of Rents registered on January 27, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3373217;

xi. Transfer of Charge registered on January 27, 2022 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3373218;

xii. Charge registered on January 27, 2022 in favour of PA, FRANK and TUNG, STEPHEN as Instrument No. YR3373219;

xiii. Postponement registered on January 28, 2022 in favour of ROMSPEN INVESTMENT CORPORATION as Instrument No. YR3373403;

xiv. Postponement registered on January 28, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP as Instrument No. YR3373404;

xv. Postponement registered on January 28, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3373405;

xvi. Notice registered on February 24, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3385745;

xvii. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397627;

xviii. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397628;

xix. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397629;

xx. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397630;

xxi. Postponement registered on March 22, 2022 in favour of THE CORPORATION OF THE CITY OF MARKHAM as Instrument No. YR3397631;

xxii. Notice registered on June 17, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3440956;

xxiii. Postponement registered on June 17, 2022 in favour of PA, FRANK and TUNG, STEPHEN as Instrument No. YR3440959;

xxiv. Postponement registered on June 17, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3441040;

xxv. Notice registered on July 4, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3447697;

xxvi. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454771;

xxvii. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454772;

xxviii. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454773;

xxix. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3453774;

xxx. Postponement registered on July 20, 2022 in favour of ALECTRA UTILITIES CORPORATION as Instrument No. YR3454775;

xxxi. Notice of Assignment of Rents registered on August 30, 2022 in favour of ROMSPEN INVESTMENT CORPORATION as Instrument No. YR3470725;

xxxii. Charge registered on August 30, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3470726;

xxxiii. Notice of Assignment of Rents registered on August 30, 2022 in favour of AMBER MORTGAGE INVESTMENT CORP. as Instrument No. YR3470727;

xxxiv. Charge registered on August 30, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3470728.

xxxv. Notice of Assignment of Rents Registered on August 30, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3470729;

xxxvi. Charge registered on August 30, 2022 in favour of PA, FRANK and TUNG, STEPHEN as Instrument No. YR3470730;

xxxvii. Charge registered on August 30, 2022 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3470731;

xxxviii. Notice of Assignment of Rents registered August 30, 2022 in favour of SOW CAPITAL INVESTMENTS LIMITED as Instrument No. YR3470732;

xxxix. Notice registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505530;

xl. Notice registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505533;

xli. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505547;

xlii. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505555;

xliii. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505559;

xliv. Postponement registered on December 6, 2022 in favour of 2149602 ONTARIO INC. as Instrument No. YR3505567;

xlv. Transfer of Charge registered on January 9, 2023 in favour of MILTOM SERVICES LIMITED and SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3513700;

xlvi. Transfer of Charge registered on January 9, 2023 in favour of MILTOM SERVICES LIMITED and SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3513701;

xlvii. Notice registered on April 5, 2023 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3538686;

xlviii. Notice registered on April 5, 2023 in favour of SOW CAPITAL ONTARIO LIMITED as Instrument No. YR3538687;

xlix. Notice of Change of Address registered on April 17, 2023 as Instrument No. YR3541425; and

l. Notice of Change of Address registered on April 17, 2023 as Instrument No. YR3541426.

On Closing, the Buyer shall deliver to the Seller the following:

a. the balance due on closing, payable to the Seller's solicitor or as it may direct in writing;

b. a certificate and indemnity of the Buyer for H.S.T. as contemplated in Section 13 of this Schedule "A";

c. an undertaking by the Buyer to readjust any errors, omissions or changes in the Statement of Adjustments, provided that any post-Closing adjustments will only be made if brought to the Buyer's attention, by written notice, within 30 days of the Closing, otherwise there will be no adjustments whatsoever following the Closing.;

d. a written title direction if title is to be granted to a party other than the Buyer; and

e. such further and other closing documents as contemplated by this Agreement or as otherwise may be required by the Seller's solicitor, acting reasonably.

10. **Closing Deliveries of Receiver**

In the event the Seller is the Receiver on Closing, the Receiver shall deliver to the Buyer the following (with all documentation to be in a form satisfactory to the Buyer's solicitor):

a. an undertaking by the Receiver to readjust any errors, omissions or changes in the Statement of Adjustments, provided that any post-Closing adjustments will only be made if brought to the Receiver's attention, by written notice, within 30 days of the Closing, otherwise there will be no adjustments whatsoever following the Closing;

b. a bring down certificate of the Receiver confirming the accuracy as of Closing of all warranties and representations of the Receiver contained in Section 12 of this Schedule "A";

c. the Approval and Vesting Order;

d. such further and other closing documents as contemplated by this Agreement or as otherwise may be required by the Buyer's solicitor, acting reasonably.

Forthwith following Closing and no later than twenty-four (24) hours following Closing, the Receiver shall immediately deliver to the Buyer the executed receiver certificate in the form contemplated by the Approval and Vesting Order (the "**Receiver's Certificate**") confirming that the herein contemplated transaction has been completed and title to the Property shall vest in the Buyer effective immediately upon receipt of the Receiver's Certificate. The Seller shall file the Receiver's Certificate with the Court within a reasonable time following Closing and shall deliver to the Buyer a copy of same.

11. **Covenants of Romspen Investment Corporation (As Trustee Under Power of Sale)**

Romspen covenants and agrees to make commercially reasonable efforts, prior to the Closing Date, to satisfy the Buyer that TUNG KEE INVESTMENT CANADA LTD. is not a non-resident within the meaning of Section 116 of the Income Tax Act (Canada).

12. **Covenants, Representations and Warranties of the Receiver**

If applicable, upon the assignment and assumption of this Agreement from Romspen to the Receiver, the Receiver represents and warrants to and in favour of the Buyer that, as of the date of the aforementioned assignment and assumption of this Agreement and on the Closing Date:

a) the Receiver has been duly appointed as the receiver of the Property pursuant to a appointment order from the Court and has full right, power and authority, subject to obtaining the Approval and Vesting Order prior to Closing, to sell the Property, in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order; and

b) the Receiver is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada).

All of the representations and warranties contained in this Section 11 of Schedule "A" shall survive the Closing Date and shall continue in full force and effect for the benefit of the Buyer thereafter

13. **H.S.T.**

No H.S.T shall be paid by the Buyer to the Seller with respect to the purchase by the Buyer of the Property provided that the Buyer provides to the Seller on or prior to the Closing Date a certificate of the Buyer containing the Buyer's registration number for the purposes of such tax imposed under the Excise Tax Act (Canada) and containing the undertaking of the Buyer to self assess for H.S.T. and indemnify the Seller from any H.S.T. payable in this transaction. In the event the aforementioned certificate is not provided to the Seller on or prior to the Closing, the Buyer shall pay to the Seller the applicable H.S.T. on Closing.

14. **Assignment**

The Buyer shall have the right to assign this Agreement to any person or persons, partnerships, corporation or corporations as may be designated by the Buyer in its discretion, or to cause title to the Property to be taken in a name other than the Buyer herein (any party so designated by the Buyer being hereinafter referred to as the "**Assignee**"), provided that the Buyer shall deliver to the Seller, a written covenant of such Assignee to be bound by the provisions of this Agreement. Upon such assignment the originally named Buyer shall be relieved of all obligation and liability whatsoever pursuant to the provisions of this Agreement and the Assignee shall be deemed to be the party hereinbefore originally named as the Buyer.

In the event a Receiver is appointed for the Property, the Buyer and Romspen acknowledge and agree that Romspen shall have the right to assign this Agreement to the Receiver.

15. **Notice**

Notwithstanding any other provision of this Agreement, including Section 3 of the OREA FORM, any notice to be given or document to be delivered to the Seller or Buyer pursuant to this Agreement will be sufficient if delivered personally, by facsimile transmission, digital, electronic scan or email, or sent by prepaid registered mail to the Seller's solicitor or Buyer's solicitor. Any written notice or delivery of documents given in this matter will be deemed to have been given and received on the day of delivery if delivered personally or by facsimile transmission, digital, electronic scan or email. Facsimile signatures or electronically or digitally scanned signatures (pdf or similar format) shall be deemed to be original signatures and any notice to be given or document to be delivered may be executed in counterpart.

16. **Access**

Upon acceptance of this Agreement and after the First Deposit is submitted, the Buyer and/or Buyer's inspector and/or Buyer's authorized agents shall be permitted access to the Property and the Seller shall cooperate in providing such access for purposes of conducting any testing, surveying and/or inspections as provided for herein. The Buyer shall at the Buyer's sole expense forthwith repair any damage done to the Property resulting from such inspections, and indemnify the Seller with respect to any and all damages or claims arising from the Buyer's access and activities on the Property. Provided further, the Buyer shall each time separately, notify the Seller, Seller's agent or solicitor not less than 24 hours in advance of the requested access and that the visits shall occur at each times, that are mutually agreed upon by the parties.

17. **Obligation to Complete**

i. The Buyer's obligation to carry out the transaction contemplated by this Agreement, is subject to each of the following conditions until on or before the Closing Date or such other date as may be specified, which conditions are for the sole benefit of the Buyer and which may be waived by the Buyer in its sole, absolute, unfettered and arbitrary discretion:

    a. Representations and Warranties - That all of the covenants, representations and warranties of the Receiver set out in this Agreement shall be materially true and accurate with the same effect as if made on and as of the Closing Date; and;

    b. Performance of Terms, Covenants and Conditions - All of the terms, covenants and conditions of this Agreement to be materially complied with or performed by Romspen and/or the Receiver, as applicable, on or before the Closing Date shall have been complied with or performed.

In the event that any of the above conditions, contained in Section 17 (i) (a) and Section 17 (i) (b) of this Schedule "A", are not materially complied with within any

Initials of Buyer: HG Initials of Seller: MG

time period prescribed therefor and the Buyer is unwilling to waive the same, then the Buyer shall be entitled to terminate this Agreement, whereupon the Buyer shall have no further liability to the Seller under this Agreement and the Buyer shall be entitled to an immediate return of the Deposit with interest and without deduction.

ii. The Buyer's obligation to carry out the transaction contemplated by this Agreement, is further subject to the following condition, which condition is for the sole benefit of the Buyer and which may be waived by the Buyer in its sole, absolute, unfettered and arbitrary discretion (in the event of such waiver Section 17 (iii) (a) shall apply):

a. Appointment of Receiver and Approval and Vesting Order – On or before October 16th, 2023 the Seller shall have obtained a court order appointing a Receiver for the Property and the Receiver shall have been authorized by the Court to complete the herein contemplated transaction with the Buyer pursuant to an Approval and Vesting Order.

iii. Notwithstanding any other term or condition contained in this Agreement or elsewhere, in the event that the above condition, contained in Section 17 (ii) (a) of this Schedule "A", is not materially complied with within the time period prescribed therefor, then the Buyer will have five (5) Business Days to elect one of the following options, in its sole, absolute, unfettered and arbitrary discretion:

a. completing the herein contemplated transaction with Romspen under power of sale and pursuant to the Mortgage and Part III of the Mortgages Act (Ontario) and in accordance with the power of sale provisions of the herein agreement, on the Closing Date; or

b. terminate this Agreement, whereupon the Buyer shall have no further liability to the Seller under this Agreement and the Buyer shall be entitled to an immediate return of the Deposit with interest and without deduction.

The Buyer's option to complete or terminate, as aforesaid under this Section 17 (ii) (a) of this Schedule "A" shall be exercised by the Buyer by notice in writing to the Seller or Seller's solicitor, within five (5) Business Days following October 16th, 2023, failing which the Buyer shall be deemed to have elected to terminate the Agreement, whereupon the Buyer shall have no further liability to the Seller under this Agreement and the Buyer shall be entitled to an immediate return of the Deposit with interest and without deduction.

18. **Tender**

Any notice, approval, waiver, agreement, instrument or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Buyer's solicitors on behalf of the Buyer and by the Seller's solicitors on behalf of the Seller and any tender of closing documents and the balance of the Purchase Price may be made upon the Seller's Solicitors and the Buyer's Solicitors, as the case may be. The Seller

Initials of Buyer: HG Initials of Seller: MG

and Buyer acknowledge and agree that insofar as the tender of any documents to be electronically registered is concerned, the tender of same will be deemed to be effective and proper when the solicitor for the party tendering has completed all steps required by Teraview in order to complete this transaction that can be performed or undertaken by the tendering party's solicitor without the cooperation or participation of the other party's solicitor, and specifically when the tendering party's solicitor has electronically "signed" the transfer/deed under power of sale and any other closing document, if any, to be electronically registered for completeness and granted access to the other party's solicitor to same, but without the necessity of the tendering party's solicitor actually releasing such documents to the other party's solicitor for registration.

19. **Buyer Covenant**

On or prior to the Buyer's Condition Date, the Buyer shall provide to the Seller satisfactory evidence that it has sufficient financial resources or has arranged sufficient financing to complete the transaction contemplated herein. In the event the aforementioned condition is not satisfied on or prior to the Buyer's Condition Date, then this Agreement shall be automatically terminated and the First Deposit together with all interest accrued thereon, if any, shall be returned to the Buyer forthwith, and neither party hereto shall have any further obligation or liability to the other party.

20. **Execution**

This Agreement may be executed in counterpart and transmitted by facsimile or other form of electronic transmission, and when so executed shall be deemed an original and when taken together shall constitute one and the same instrument.

SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE

For 3143 19th Avenue Markham, Ontario L6C 1L8 (Address for the "Property") ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE(Seller)

Sale to TIMES 1010 INC. (Buyer[s])

The following terms replace, modify or add to other terms of the Agreement of Purchase and Sale to which it is appended. The terms in this Schedule override any other term or condition of the agreement. Any matter provided for in this Schedule as well as any other part of the Agreement shall be settled by a broad construction of the applicable term in this Schedule. Notwithstanding the foregoing, this Schedule "B" shall only apply in the event the Buyer elects to complete this transaction, pursuant to Section 17 (iii) (a) of Schedule "A".

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~~1. The description of the Property is believed by the Seller to be correct but if any statement, misstatement, error or omission shall be found in the particulars thereof, the same shall not annul or terminate the sale nor entitle the Buyer to be relieved of any obligation hereunder, nor shall any compensation or abatement in the Purchase Price be allowed to either the Seller or the Buyer in respect thereof.~~

2. The Buyer acknowledges that the Seller is selling the lands and premises to the Buyer in exercise of the Power of Sale provisions contained in a mortgage (the "Mortgage") the Seller holds on the Property. The Buyer agrees to accept title pursuant to the rights of the Seller under its mortgage and in accordance with the terms of the Mortgage and Part III of the Mortgages Act (Ontario), as same may be amended from time to time.

3. The Seller represents herein that there is a default under the terms of its mortgage as of the date hereof which default entitles the Seller to exercise its rights of Power of Sale. The Transfer/Deed shall exclude the implied covenants in Subsection 5(1) (i) (ii) and (iii) of the Land Registration Reform Act (Ontario). The Transfer/Deed shall contain the appropriate law statements, in Teraview, as determined by the solicitor for the Seller **and Buyer, both acting reasonably, that the sale herein complies with the provisions of the Charge/Mortgage, the Mortgages Act of Ontario, and if applicable the Bankruptcy and Insolvency Act (Canada), the Condominium Act, the Construction Lien Act and the Farm Debt Mediation Act (Canada). The Seller covenants and agrees to provide a true and complete copy of the Notice of Sale in the form prescribed by Part III of the Mortgages Act (Ontario), that was served upon all parties entitled thereto in connection with the sale of the Property pursuant to the rights of the Vendor under the Mortgage, to the Buyer and their solicitor within ten (10) days following the mutual execution of this Agreement.**

4. The Buyer shall purchase the Property as it exists at the present time without representation, warranty or condition with respect to the fitness, condition, zoning or lawful use of the Property. The Seller makes no representations or warranty with respect to any defects in workmanship, state of repair or location of structures, walls, retaining walls or fences (freestanding or otherwise). The Seller shall *have* no responsibility whatsoever to remedy any defect, comply with any work orders, or complete any unfinished work. The Buyer will accept the Property "as is" on the day of closing and acknowledges that it has relied entirely upon its own inspections and investigations with respect to the quantity, quality and value of the Property. The Seller shall not be required to discharge any mortgages, liens or other encumbrances registered subsequent to the Charge/Mortgage of Land under which the Power of Sale is being exercised, so long as same are extinguished on closing by operation of law, pursuant to the Part III provisions of the Mortgages Act (Ontario).

5. The Buyer agrees that the Seller may, in its absolute discretion accept, on or before the expiry of the Buyer's Condition Date, redemption of the Mortgage in whole or in part, by any party having an interest in the Property and, thereupon, the Seller may terminate this agreement witho ut liability of any kind to the Buyer **and the deposit shall be returned to the Buyer forthwith with interest and without deduction.**

6. The Buyer agrees to accept the Property regardless of any order affecting the Property regarding its condition or use (including deficiency or other notices, compliance requests, work and other orders) and subject to all judicial, municipal or any other governmental by- laws, agreements, restrictions (registered or unregistered), or orders as well as any registered restriction agreements or covenants which run with the land as of the acceptance date of this Agreement. Without limiting the generality of the foregoing, the Buyer agrees to accept title to the Property subject to any registered easements in favour of any utility and further agrees to accept any standard municipal subdivision agreements with the Municipality registered on the title to the Property as of the acceptance date of this Agreement, providing each has been complied with, or providing security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant Municipality. The Buyer further agrees to accept the Property subject to rights of way, easements, covenants that run with the land or minor encroachments by buildings or fences on the subject Property or adjoining properties or streets that exist as of the acceptance date of this Agreement, all municipal and other development and sewer levies, fees, imposts and charges and all amounts added to the tax roll (other than realty taxes imposed on the assessment of the Property and public utilities which are a lien prior to the Mortgage), in all cases regardless or whether there is compliance. If the Property is oil heated, the Buyer accepts the oil tank in its "as is" condition. Notwithstanding the foregoing, all unpaid realty taxes and local improvements charges shall be adjusted as of the day of closing.

7. In the event any issue is raised with respect to the exercise of the Power of Sale by the Seller which affects the Seller's ability to transfer title to the Property in accordance with this Agreement by requisition, notice, certificate of pending litigation or any other manner, or if vacant possession cannot be provided, the Seller may at its option extend the closing date for a period or periods of time not exceeding 50 days in total. If the Seller is unable to resolve any such issue by the expiry of the extension period or periods, the Seller at its sole option may terminate this Agreement without liability of any kind to the Buyer and the deposit shall be forthwith returned to the Buyer with interest and without deduction.

8. Notwithstanding any other clauses set out in this Agreement, the purchase price herein shall not include any chattels. The Seller agrees to sell only such interest as it may have in the fixtures and chattels as referred to in the Agreement of Purchase and Sale and/or located on the Property and does not guarantee title to the chattels nor does it warrant the condition or state of repair of the chattels. The Seller shall deliver possession of the said fixtures and chattels found on the Property "as is" on closing without bill of sale, warranty, security interest discharge, or title documentation and shall make no further adjustments or abatements in the purchase price with respect thereto. The Seller shall not be obligated to remove any chattels prior to closing.

9. The Seller covenants that it has done no act to encumber the Property as at the date hereof and the Seller covenants that it shall do no act to encumber the Property from the date of acceptance hereof to the date of closing. The Seller shall not sell or dispose of the Property between the date hereof and the date of closing. The Seller shall not be required to furnish or produce any abstract, deed, declaration or other document or evidence of the title except those in its possession.

MG

10. Where a Court of competent jurisdiction prevents the completion of the within sale by an interim, interlocutory, permanent injunction or otherwise, then the Seller (Mortgagee) is not obligated to complete the said transaction and this Agreement is to be terminated as being null and void and the deposit shall be returned to the Buyer with interest and without deduction. In no event shall the Seller be responsible for any costs, expenses, HG

loss or damages incurred or suffered by the Buyer in any way related to this Agreement.

11. The Buyer agrees to assume all existing short term farm tenancies affecting the Property that shall not have a term exceeding two years from the date of closing.

12. Notwithstanding any other clauses in this Agreement, the Seller makes no representation whatsoever as to whether the Property has been insulated with Urea Formaldehyde Foam Insulation or whether the Property contains any other substances that may be hazardous or toxic or toxic within the meaning of the Environmental Protection Act (Ontario).

13. If this transaction is subject to Harmonized Sales Tax (HST), then such HST shall be in addition to and not included in the purchase price. The Seller shall not supply any Warranty, Statutory Declaration or Certificate with respect to the subject Property's status as a used residential property or as to whether this transaction is an exempt supply in accordance with the provisions of the Excise Tax Act (Part VII) (HST). The Buyer further indemnifies and saves harmless the Vendor and its solicitors, from all claims that may be made in connection with any HST which may be applicable to this transaction. The Seller shall not be responsible to provide any certificates with respect to the applicability of HST to the transaction. Provided, however, that the Seller is solely responsible for the payment of HST on the amount of any real estate commission payable by the Seller hereunder. The Buyer shall bself-assess for HST, pursuant to Section 11 of Schedule "A" of this Agreement.

14. In the event, prior to Closing, title to the Property is transferred pursuant to a power of sale by a subsequent mortgagee or to another buyer pursuant to a Vesting Order, then this Agreement shall be automatically terminated and the Deposit, together with all interest accrued thereon, shall be returned to the Buyer forthwith, and neither party hereto shall have any further obligation or liability to the other party. In the event the Property is transferred to another buyer pursuant to the aforementioned, the Seller shall request, on behalf of the Buyer, the Court to reimburse the Buyer from the sale proceeds, in priority to all mortgagees, save and except Romspen , for all reasonable costs associated with the Buyer's due diligence and legal costs related to this Agreement.

15. Notwithstanding any statement to the contrary contained in the Agreement of Purchase and Sale, the Seller shall not be obligated to obtain or provide any survey of the subject Property save as may actually be in the possession of the Seller.

16. The Buyer herein represents and warrants that it has no association with, is not acting on behalf of, nor is it related to the Mortgagor/registered owner of the subject Property whose mortgage is in default and pursuant to which mortgage the Seller is selling the Property under Power of Sale. This representation and warranty shall survive the closing of the within transaction.

17. Post-closing adjustments will only be made if brought to the Seller's attention within 90 days of the date of closing, otherwise there will be no adjustments whatsoever after closing, including without limiting the foregoing, adjustments for realty taxes, business taxes, property assessments, sewer levies, water, hydro and utilities.

18. If the Property is a condominium, notwithstanding anything to the contrary in this Agreement, the Seller makes no representations and warranties about condominium matters, including current expenses, potential special assessments or legal actions pending against the condominium corporation, if any, and the Buyer shall not be entitled to terminate or to any abatement or damages relating to these matters. If any special assessments are levied and outstanding, the Seller is responsible for amounts payable on account thereof only for its period of possession until closing.

DS HG

DS MG

19. The Seller states and the Buyer acknowledges that the Seller is not and will not be at time of closing a non-resident of Canada as defined by the Income Tax Act; [redacted]

20. Where the provisions of this Schedule conflict with any terms in the Agreement of Purchase and Sale, the parties agree that the provisions of this Schedule shall govern and prevail.

21. Acceptance of this offer by either party and communication of same by facsimile transmission shall be binding upon each party as if such documents transmitted were original executed documents. Where available, title shall be conveyed electronically. Whether conveyed electronicall y or in the manner required by the Director of Titles, the Buyer shall accept the prescribed solicitor's statements attached to the transfer as conclu sive evidence of compliance with the Mortgages Act and other applicable legislation. The Seller will not provide any affidavit evidence in support of compliance, however, the Seller shall provide any of the Power of Sale documents required by the Buyer;s title insurer to obtain a title insurance policy on closing. At the Seller's option, the Buyer shall deliver all closing funds through the Teranet Closure System and all costs and fees of delivering the closing funds in such manner shall be paid for by the Buyer.

22. Upon termination of this Agreement by reason of **the sole default of** the Buyer, the deposit together with any interest herein shall be paid to the Seller by the Seller's Agent forthwith without any further direction or consent from the Buyer being required, and the Buyer shall not direct or cause or attempt to cause the Seller's Agent to do otherwise.

Per: DocuSigned by: Mary Gianfriddo	9/15/2023 | 16:17 EDT
Seller	Date
Per: DocuSigned by: Hashem Ghadaki	9/15/2023
Buyer	Date

DocuSign Envelope ID: BE2E8E9D-E11B-4492-86AB-ACC58E74A227

OREA Ontario Real Estate Association

Form 505
for use in the Province of Ontario

Schedule C
Agreement of Purchase and Sale - Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: TIMES 1010 INC. MG HG, and

SELLER: ROMSPEN INVESTMENT CORPORATION (UNDER POWER OF SALE)

for the purchase and sale of 3143 19TH AVENUE MARKHAM ON L6C 1L8

dated the 15th day of September 2023

LEGAL DESCRIPTIONS:

PIN: 03055-0377 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770; CITY OF MARKHAM

PIN: 03055-0379 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770; CITY OF MARKHAM

PIN: 03055-0380 (LT) LEGAL DESCRIPTION: PART LOT 30 CONCESSION 4 PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM

HG MG ~~The Buyer and Seller acknowledges and agrees that the deposit holder (Royal LePage Your Community Realty Brokerage) discloses that the depositor's funds are being held in a variable interest rate account "In Trust", as specified by the Real Estate Business Brokers Act 2002 section 27, at the current rate of prime less 2.15%. The Brokerage calculates and disburses all interest earned for the benefit of all Depositors (Buyers) unless otherwise directed in writing by the Depositor (Buyer) The interest earned on all deposits is subject to an administration fee of ninety five dollars ($95.00) plus HST per deposit or further deposits. In the event the interest earned does not exceed Ninety Five dollars ($95.00)such interest shall be retained by the Brokerage as full payment of the administration fee (no accounting statement will be provided). No interest shall be paid to the Buyer unless the Buyer provides the deposit holder with a Social Insurance Number and mailing address for use on the T5 forms prior to completion of this transaction. For all purposes of this notice, the terms "banking days" or "business days" shall mean any day other than a Saturday, Sunday or Statutory Holiday in the Province of Ontario.~~

The Seller and Buyer agree and acknowledge that all measurements and information provided by Royal LePage Your Community Realty on the MLS listing, Feature Sheets, and any other marketing materials for the subject property, have been supplied for reference purposes only and such Royal LePage Your Community Realty does not warrant their accuracy. The Buyer is advised to verify any measurements or information upon which he or she is relying.

In accordance with the Privacy Act (PIPEDA), the Buyers and the Sellers hereby agree to allow the Listing Brokerage and their Representatives to distribute information pertaining to the sale of the property in future marketing material upon this Agreement becoming firm and binding. Such information may include the price or sold price percentage in relation to asking price, picture, and address of the home, but shall not include the names or personal information about the Buyer or Seller.

Buyer Buyer agent to verify: Vacant Land Acres and Taxes.

(A) + (B) (A)- Subject to below, the Buyer represents and warrants that the Buyer is not and on completion will not be a non-Canadian as defined by the Prohibition on the Purchase of Residential Property by Non-Canadians Act (Canada) (the "Foreign Buyer Ban"), and therefore the Buyer is not prohibited from purchasing residential property in Canada.
(B)- Provided that if the Buyer is a non-Canadian as defined by the Foreign Buyer Ban, the Buyer represents and warrants that the Buyer qualifies for an exception under Section 4 of the Foreign Buyer Ban and is therefore not prohibited from purchasing residential property in Canada. These representations and warranties shall survive and shall not merge on closing. The Buyer hereby indemnifies the Seller against any costs, claims, or any other damages incurred by the Seller as a result of the Buyer being prohibited from purchasing residential property under the Foreign Buyer Ban.

The Buyer understands, acknowledges and agrees that the subject property vacant land is being sold 'As Is, Where Is.'
The Seller, Listing Agents and Listing Brokerage do not make any warranty or representation of any kind, including total developable Acres of Land and/or total Acres being sold.

MG The Buyer aknowledges having had the opportunity ~~to conduct due diligence and the opportunity~~ to seek independent Legal Counsel advice.

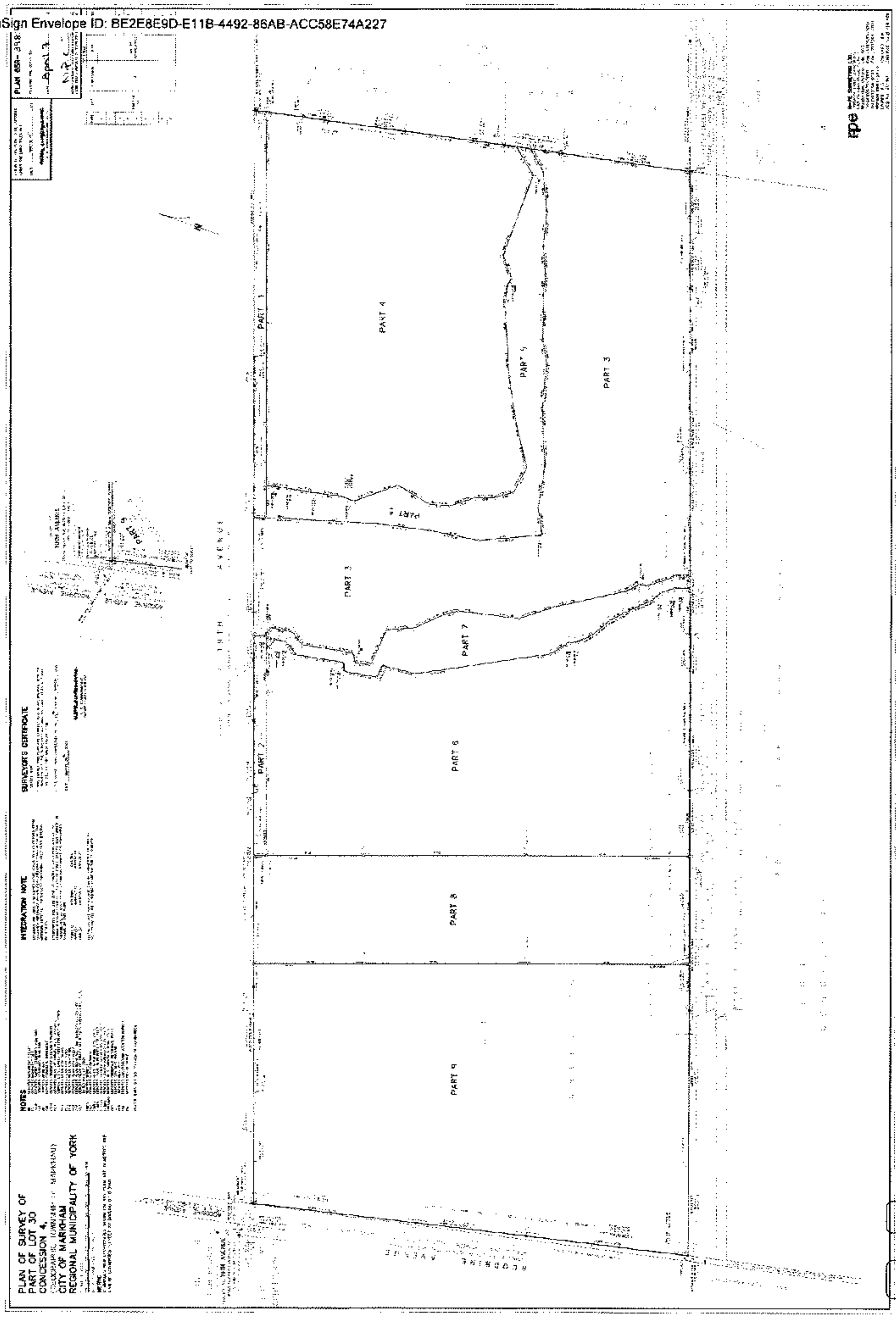
HG This form must be initialled by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): HG **INITIALS OF SELLER(S):** MG

SCHEDULE "D"

See attached.

HG MG


PLAN OF SURVEY OF
PART OF LOT 30
CONCESSION 4,
CITY OF MARKHAM
REGIONAL MUNICIPALITY OF YORK
NOTES
INTEGRATION NOTE
SURVEYOR'S CERTIFICATE
PLAN 65R-
PART 1
PART 2
PART 3
PART 4
PART 5
PART 6
PART 7
PART 8
PART 9
AVENUE
WOODBINE AVENUE
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Schedule E

Permitted Encumbrances

"**Permitted Encumbrances**" means the following:

1. The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act*, R.S.O. 1990, and any amendments thereto or any successor legislation, except paragraph 11;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. As of the date of this Agreement, any registered easements or rights of way in favour of any governmental authority or public utility provided same are in good standing and that none of the foregoing interfere in any material adverse respect with the current use of the Property;
4. Any unregistered hydro easements provided same are in good standing and that none of the foregoing interfere in any material adverse respect with the current use of the Property
5. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due;
6. Any registered agreements, for utilities and services for hydro, water, heat, power, sewer, drainage, cable and telephone serving the Property, adjacent or neighbouring properties, provided none of the foregoing interfere in any material adverse respect with the current use of the Property and same are in good standing;
7. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property provided that in either case same do not materially adversely impair the use, operation, or marketability of the Property;
8. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, Work Orders;
9. Any breaches of any Applicable Laws, including Work Orders;
10. Any registered subdivision agreements, site plan agreements, developments and any other agreements with the Municipality, Region, publicly regulated utilities or other governmental authorities having jurisdiction provided that same are in good standing;
11. Minor title defects, if any, that do not in the aggregate materially affect the use of the Property for the purposes for which it is used on the date of acceptance of this Agreement;
12. The following instruments registered on title against the Property:

Permitted Encumbrances related to the Property
(unaffected by the Vesting Order)

<u>**PIN 03055-0377 (LT)**</u>

Reg. Num.	Date	Instrument Type	Parties To
YR688928	2005/08/24	NOTICE	N/A

Initials of Buyer: HG Initials of Seller: MG

YR3397626	2022/03/22	NOTICE	THE CORPORATION OF THE CITY OF MARKHAM
65R39839	2022/04/07	PLAN REFERENCE	N/A
65R39880	2022/05/16	PLAN REFERENCE	N/A
YR3454770	2022/07/20	TRANSFER EASEMENT	ALECTRA UTILITIES CORPORATION

PIN 03055-0379 (LT)

Reg. Num.	Date	Instrument Type	Parties To
YR688928	2005/08/24	NOTICE	N/A
YR3397626	2022/03/22	NOTICE	THE CORPORATION OF THE CITY OF MARKHAM
65R39839	2022/04/07	PLAN REFERENCE	N/A
65R39880	2022/05/16	PLAN REFERENCE	N/A
65R39948	2022/07/12	PLAN REFERENCE	N/A
YR3454770	2022/07/20	TRANSFER EASEMENT	ALECTRA UTILITIES CORPORATION

PIN 03055-0380 (LT)

Reg. Num.	Date	Instrument Type	Parties To
YR688928	2005/08/24	NOTICE	N/A

YR3397626	2022/03/22	NOTICE	THE CORPORATION OF THE CITY OF MARKHAM
65R39839	2022/04/07	PLAN REFERENCE	N/A
65R39880	2022/05/16	PLAN REFERENCE	N/A
YR3454770	2022/07/20	TRANSFER EASEMENT	ALECTRA UTILITIES CORPORATION

This is Exhibit "E" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

CORE VALUES

ENDURING QUALITY

At the core of good construction are the best materials, patient and diligent work and an uncompromising attention to detail. We reinforce this standard daily, and only partner with the top architects, engineers and best-in-class trades.

“Over the last two decades, Times has demonstrated a commitment to customer services and homeowner satisfaction.”

HOWARD BOGACH, CEO, Tarion Warranty Corporation

TRUE SUSTAINABILITY

Efficiency and durability know no limits — and we employ all of the best sustainability and conservation strategies with each project.

“Since helping us to build our Unionville Whole Foods Market, we have watched Times complete the first LEED® Platinum residential buildings in Canada right next door. Kudos to Times for promoting sustainable construction and development.”

MICHAEL BASHAW, Regional President, Whole Foods Market

SOLID PARTNERSHIPS

Here today, see you tomorrow. We need strong trusting relationships with our neighbours, customers, contractors, city staff and planners, community groups, councillors, and ministers to realize our aims. We can do more together.

“Times recognized the importance of uniting the neighbourhood of Davisville Village, and together we have created unique events and opportunities to celebrate our wonderful and culturally diverse community.”

CHRIS TRUSSELL and **LESLEY STOYAN**, Founders, Apple Tree Markets and Events

INNOVATIVE PLANNING

The more things change, the more important to plan for change. Planning our communities, schools, parks, roads, and transportation for future generations requires our full attention and ingenuity. As a city we will only achieve what we plan to achieve and expectations are rightfully high.

“The Times Group after-sales service and ongoing commitment to the well-being of our building and our unit owners are commendable and attest to their highest ethical standards in the industry.”

HERVÉ LEUNG, President, YRSCC #1264 (Riverpark, Uptown Markham)

BIRCHMOUNT ROAD BRIDGE (2014) - TIMES GROUP AND THE CITY OF MARKHAM UNVEIL A FOUR LANE MUNICIPAL BRIDGE OVER THE ROUGE RIVER CONNECTING MARKHAM TO SCARBOROUGH. PICTURED ABOVE THE TIMES GROUP TEAM AND HON. MAYOR FRANK SCARPITTI.

STATISTICS

6,133

High-Rise and Low-Rise Residential Units Built

34

Years in Business

1,188,000

Sq Ft. of Industrial Commercial Institutional (ICI) Projects Completed

48

Condominium Corporation Registrations

0

Project Cancellations and Chargeable Tarion Reconciliations

2,232

Residential Units Under Construction in 2019

11,463

Condominium Units Under Development

56+

Charitable Partnerships and Sponsorships

The statistics were compiled and calculated with diligence and care, and are accurate as of August 1, 2019.

THE TRUE STORY OF A REAL DEVELOPMENT COMPANY

For over thirty years, we have planned and built some of the finest commercial and residential buildings in the Greater Toronto Area. We began with custom homes, and as our expertise and ability grew, so did the scope of our projects. Today we proudly call ourselves a premier Canadian owned and operated real estate development firm.

Our expertise and experience reflect a culture of optimism, ambition and diligence. Whether you walk into the emblematic Times Square in Richmond Hill, a luxury high-rise condominium on King Street, picnic at an award-winning public park in Markham or have lunch at our Whole Foods Shopping Centre in Unionville, you will appreciate the difference made by good development and construction.

At Times, each project is an opportunity to improve. We are proud pioneers of luxury LEED® building and apply the best in planning, design and construction methods to our buildings. The result — projects that exemplify ingenuity, experience and attention to detail.

Within the Times Group family are Life Construction (our construction management company) and Times Property Management (our ACMO® 2000 property management division). Times, Life and TPM work seamlessly together to create communities that make sense, look incredible and last forever.

RIVERVIEW CONDOMINIUMS — THE LATEST PHASE IN THE TIMES GROUP'S UPTOWN MARKHAM 6,100 UNIT HIGH-RISE MASTER PLANNED COMMUNITY COMPLETE WITH 35 ACRES OF PARKLAND, SCHOOLS, RETAIL ALL LOCATED ALONG HIGHWAY 7 AND THE ROUGE RIVER. EXPECTED OCCUPANCY IN YEAR 2021.

THE FOUNDERS

Hashem Ghadaki
M. ENG. CIVIL ENGINEERING

Saeid Aghaei
M. ENG. CIVIL ENGINEERING

Ali Mesgarzadeh
M. ENG. INDUSTRIAL ENGINEERING

Mohammad Ghadaki
PHD. NUTRITION & BIOCHEMISTRY

OUR MISSION

is to create modern, sustainable, and quality communities where beautiful homes, successful businesses and thriving economies can prosper and grow.

“Times Group has created a reputation as a builder who values integrity and quality while giving back generously to the communities they serve.”

FRANK SCARPITTI, Mayor of Markham

TIMES

GROUP

PORTFOLIO TIMELINE

1985–2006

BANK OF EAST ASIA BUILDING (1990)
Mid-rise commercial/office project in Richmond Hill consisting of 45 units on 5-storeys.

GOLDEN PLAZA (1992)
Mid-rise commercial/office project in Richmond Hill consisting of 58 units on 5-storeys.

TIMES SQUARE (1995)
420,000 sq.ft. shopping mall in Richmond Hill with 178 condominium units on 3-storeys.

HYCREST RESIDENTIAL PROJECT (1996)
Mixed-use development in Toronto of 71 residential units in a 10-storey high-rise building and 4 commercial units at grade.

SADDLECREEK TOWER & TOWNHOMES (1999)
Residential development in Thornhill of 128 units in a 13-storey high-rise building and 20 townhomes.

DERBY TOWER (2001)
Mid-rise residential project in Markham consisting of 118 units on 11-storeys.

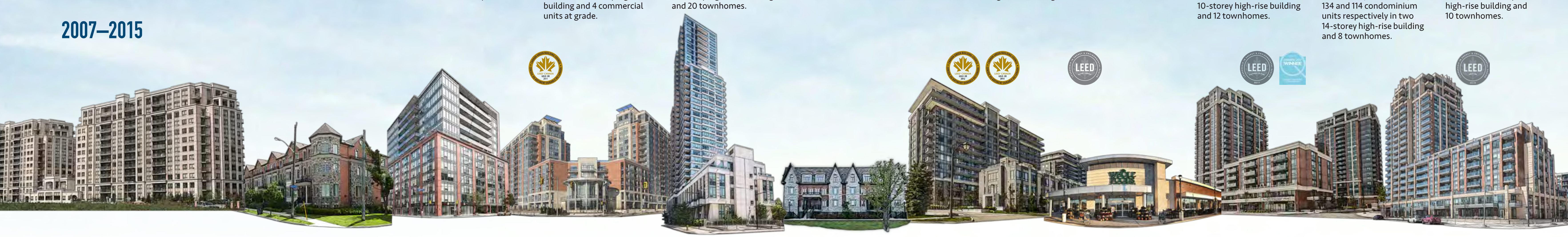
THORNHILL TOWERS & TOWNHOMES (2003 & 2004)
Residential development in Thornhill of 404 condominium units in two 11-storey high-rise buildings and 21 townhomes.

GALLERIA TOWER & TOWNHOMES (2003 & 2005)
Residential development in Thornhill of 115 units in a 10-storey high-rise building and 12 townhomes.

BAYVIEW MANSION & TOWNHOMES (2003 & 2005)
Residential development in Toronto (North York) of 134 and 114 condominium units respectively in two 14-storey high-rise building and 8 townhomes.

VICTORIA TOWER & TOWNHOMES (2005)
Residential development in Thornhill of 126 units in a 12-storey high-rise building and 10 townhomes.

2007–2015



PARKVIEW TOWERS & TOWNHOMES (2007)
Residential development in Thornhill of 357 units in two 12-storey high-rise buildings and 56 townhomes.

SPRING GARDEN TOWNHOMES (2008)
19 townhomes in Toronto.

REZEN CONDOS & COMMERCIAL (2009)
Mixed-use development in downtown Toronto of 147 residential units in a 13-storey high-rise building and 3 commercial units at grade.

MAJESTIC COURT I & II AND COMMERCIAL (2009)
Mixed-use development in Markham of 532 residential units in 14 and 16-storey high-rise buildings and 11 commercial units at grade **(First LEED® Gold building in York Region)**.

THE 500 (2010)
Residential development in Downtown Toronto of 341 condominium units in a 34-storey high-rise building and 5-storey mid-rise building.

BAYVIEW VILLAS (2011)
128 stacked townhomes in Thornhill on 4 storeys.

EDEN PARK I & II AND TOWNHOMES (2011 & 2013)
Residential development in Thornhill of 846 units in five 13-storey high-rise buildings and 49 townhomes.

UPTOWN MARKET (2012)
Neighbourhood commercial plaza in Markham of 170,000 sq. ft. retail and 3-storey office building (Anchor Tenants: Whole Foods Market, Bed Bath and Beyond, LCBO).

RIVERPARK CONDOS (2014)
Mixed-use development in Markham of 607 residential condominium units in an 8-storey mid-rise and two 20-storey high-rise buildings and 13 commercial units at grade.

RIVERWALK CONDOMINIUMS (2015)
Residential development in Markham of 505 units in an 8-storey mid-rise and a 20-storey high-rise building.

2016–2026

***KEY WEST CONDOS (2016)**
Residential development in Toronto (Etobicoke) of 343 condominium units in a 44-storey high-rise building and 4 commercial units.

VILLAGE PARK ESTATES & TOWNS (2017 & 2018)
112 townhomes and 20 detached estate homes in Markham.

RIVERSIDE CONDOMINIUMS (2018)
Residential development in Markham of 613 units in an 8-storey mid-rise and a 28-storey high-rise building.

VALLEYMEDE TOWERS & TOWNS (2019 & 2020)
Residential development in Richmond Hill of 311 units in 10 and 15-storey high-rise buildings and 45 townhomes.

PAVILIA TOWNS & TOWER (2019 & 2021)
Residential development in Markham of 767 units in 34 and 37-storey high-rise buildings and 134 townhomes.

RIVERVIEW CONDOMINIUMS (2021)
Residential development in Markham of 975 units in 19-storey mid-rise and two 36-storey high-rise buildings.

11280 & 11430 LESLIE STREET (2023)
Proposed low rise residential community in North Leslie (Richmond Hill) of 641 homes and 18 units in a mid-rise building on approx. 60 acres of development land.

***55 & 65 BROADWAY (2023)**
Approved Residential development in Toronto (Midtown) of two 39-storey high-rise buildings each with 389 units (one rental building, one condominium).

***41 CHATSWORTH (2023)**
Proposed Residential development in Toronto (Lawrence Park) of a 4-storey condominium building with 51 units.

***2933 SHEPPARD AVENUE EAST (2023)**
Proposed Residential development in Toronto (Scarborough) of an 18-storey building with approximately 170 units.

***5800 YONGE STREET (2024)**
Proposed Mixed-use development in Toronto (Finch) with 1,639 units of residential condominium and rental/office space on 8 acres of development land.

***THE MILLWOOD (2024)**
Proposed Residential development in Toronto (Midtown) of a 34-storey high-rise building and a 25-storey high-rise building with 3-storey retail podium (450 units).

*TORONTO GREEN STANDARD

This is Exhibit "F" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

The Bank of Nova Scotia
Real Estate Banking
5075 Yonge Street, 2nd Floor
Toronto, Ontario
Canada M2N 6C6

Tel 416.590.7921
Fax 416.590.7330

Scotiabank.

September 28, 2023

Romspen Investment Corporation
Suite 300
162 Cumberland Street
Toronto, Ontario
M5R 3N5

Re: Times Group Corporation & 3143 19th Avenue, Markham, Ontario

Dear Mr. Wesley Roitman,

Please allow this letter to serve as a positive reference for the Times Group, a highly esteemed customer of The Bank of Nova Scotia ('Scotiabank') since 1997.

During this period, we are pleased to advise that we have provided land, development and construction financing for a number of significant and successful Times Group projects, with several new projects under construction and nearly complete. To date, the Bank has arranged and participated in project specific financing aggregating nearly $2 billion. All credit facilities have operated within established terms and conditions in a fully satisfactory manner, and the current authorized loans are in the mid to high nine figure range.

Our experience with Times Group has been most favourable. We consider the principals to be people of integrity, intelligence and sound business acumen, and we are pleased to be given the opportunity to consider new projects. The principals have a proven track record not to commit beyond their ability.

Times Group has discussed the opportunity for the redevelopment of 3143 19th Avenue, Markham, Ontario with us and we believe that based upon their financial assets and track record with our bank, we consider them to have the resources, technical, and marketing expertise, as well as the financial ability to bring this project to fruition.

We are pleased to provide this reference on our client's behalf, so please do not hesitate to contact the undersigned, should you require any additional information.

Yours truly,

Per

Mario Cacciola
Director & Group Lead
T 416.590.7994 | M 647.283.2310
GTA, Real Estate Banking
mario.cacciola@scotiabank.com

Elliot Gosselin
Vice President
T 416.590.7730 | M 416.786.9671
GTA, Real Estate Banking
elliot.gosselin@scotiabank.com

This is Exhibit "G" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

WAIVER, ASSIGNMENT AND AMENDING AGREEMENT

THIS AGREEMENT made as of the 29th day of September, 2023

B E T W E E N :

ROMSPEN INVESTMENT CORPORATION
(AS TRUSTEE UNDER POWER OF SALE)

(hereinafter called the "**Seller**")

OF THE FIRST PART

- and –

TIMES 1010 INC.

(hereinafter called the "**Original Buyer**")

OF THE SECOND PART

- and -

TIMES 3143 LIMITED PARTNERSHIP

(hereinafter called the "**Buyer**")

OF THE THIRD PART

- and -

3143 HOLDINGS INC.

(hereinafter called the "**Nominee**")

OF THE FOURTH PART

WHEREAS:

A. Pursuant to a purchase agreement dated September 18, 2023, between the Seller and the Original Buyer (the "**Purchase Agreement**"), the Seller (under Power of Sale) agreed to sell to the Original Buyer those lands and premises municipally known as 3143 19th Avenue, Markham, Ontario and legally described in Schedule "A" attached hereto (the "**Property**");

B. The Original Buyer has agreed to assign to the Buyer all of its rights and obligations in and to the Purchase Agreement, the Property and the First Deposit paid by the Original Buyer pursuant to the Purchase Agreement;

C. The Buyer has agreed to assume all of the Original Buyer's covenants and obligations under and in connection with the Purchase Agreement, the Property and the First Deposit, including the payment of all monies due under the said Purchase Agreement;

D. The Seller and Buyer have agreed to amend certain terms of the Purchase Agreement and based on those amendments, the parties wish to waive certain conditions precedent pursuant to the Purchase Agreement, all on the terms set forth herein.

FOR VALUE RECEIVED, the parties agree as follows:

1. **Definitions**

Capitalized terms used in this Agreement but not defined in this Agreement shall have the respective meanings given to them in the Purchase Agreement.

2. **Assignment and Assumption**

(a) The Original Buyer hereby assigns to the Buyer all of its right, title, benefit and interest in and to the Purchase Agreement, the Property and the First Deposit, to have and to hold the same as if the Buyer was named as Buyer in the Purchase Agreement and the Original Buyer does hereby grant, release and quit claim unto the Buyer the Purchase Agreement and its interest in the Property, together with all appurtenances thereto belonging or appertaining and all improvements thereon and all of the right, title and interest of the Original Buyer therein and thereto.

(b) The Buyer hereby covenants and agrees to and with the Original Buyer that it will assume, pay and discharge all monies due and to become due under the said Purchase Agreement and will observe, keep and perform all the terms, covenants and conditions contained in the Purchase Agreement and which the Original Buyer has agreed to observe, keep and perform and the Buyer shall indemnify and hold harmless the Original Buyer in respect of all matters relating to the Purchase Agreement following the date hereof.

(c) In accordance with Section 14 of Schedule "A" of the Purchase Agreement, the Buyer hereby covenants with the Seller to be bound by the provisions of the Purchase Agreement.

(d) The Seller hereby acknowledges and confirms the assignment of the Purchase Agreement from the Original Buyer to the Buyer and the Original Buyer is released from its covenants, liabilities or obligations under the Purchase Agreement.

3. **Amendments to Purchase Agreement**

The Buyer and Seller hereby agree to amend the Purchase Agreement as follows:

(a) The Purchase Price set out on Page 1 of the OREA Form, which for greater certainty is reproduced below, is hereby deleted in its entirety and replaced with the following figure labelled INSERT:

DELETE:

PURCHASE PRICE: [redacted]

INSERT:

PURCHASE PRICE: [redacted]

(b) Section 1 of Schedule "A" of the Purchase Agreement is hereby amended by inserting the following new definition:

"“**Nominee**” means 3143 HOLDINGS INC.”"

(c) Section 19 of Schedule "A" of the Purchase Agreement, which for greater certainty is reproduced below, is hereby **deleted** in its entirety:

"19. **Buyer Covenant**

On or prior to the Buyer's Condition Date, the Buyer shall provide to the Seller satisfactory evidence that it has sufficient financial resources or has arranged sufficient financing to complete the transaction contemplated herein. In the event the aforementioned condition is not satisfied on or prior to the Buyer's Condition Date, then this Agreement shall be automatically terminated and the First Deposit together with all interest accrued thereon, if any, shall be returned to the Buyer forthwith, and neither party hereto shall have any further obligation or liability to the other party."

(d) A new Section 21 of Schedule "A" is hereby added to the Purchase Agreement immediately following Section 20 of Schedule "A":

"**21. Nominee of Buyer**

On Closing, legal title to the Property shall be directed to, or transferred to or vested in, as applicable, the Nominee, as nominee and bare trustee for and on behalf of the Buyer."

4. **Waiver of Buyer's Conditions**

Subject to the terms and conditions set out in this Agreement, notice is hereby given in accordance with the Purchase Agreement that the Buyer has satisfied and waives the Buyer's Conditions set forth in Section 7 of Schedule "A" of the Purchase Agreement. For greater certainty, nothing herein shall be deemed to be a waiver of the conditions in any other Section or Subsection of the Purchase Agreement.

5. **Confirmation**

Except as amended by this Agreement, the parties hereby confirm the terms of the Purchase Agreement and that they are bound by, and will perform their respective obligations under, the Purchase Agreement. The parties further confirm that all other terms of the Purchase Agreement remain the same and that time shall remain of the essence. This Agreement and the Purchase Agreement shall hereafter be read together and shall collectively constitute one agreement.

6. **Governing Law**

This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

7. **Successors and Assigns**

This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns and shall enure to the benefit of and be enforceable by the parties hereto.

8. **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original or faxed form or email/pdf form and the parties shall adopt any signatures received by a receiving fax machine or email as original signatures of the parties.

9. **Further Assurances**

Except as otherwise expressed in this Agreement to the contrary, each party shall, without receiving additional consideration therefore, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, including the execution and delivery of all necessary assurances, in order to carry out the purpose and intent of this Agreement.

[Remainder of Page Blank, Signatures Follow]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above-mentioned.

SELLER:

ROMSPEN INVESTMENT CORPORATION (AS TRUSTEE UNDER POWER OF SALE)

Per: DocuSigned by: MG D5F6BB8079D2454...

Name: Mary Gianfriddo

Title: A.S.O.

I have authority to bind the corporation.

ORIGINAL BUYER:

TIMES 1010 INC.

Per: DocuSigned by: Hashem Ghadaki A08B29985F63492...

Name: HASHEM GHADAKI

Title: Director

I have authority to bind the corporation.

BUYER:

TIMES 3143 LIMITED PARTNERSHIP, by its general partner, TIMES 3143 GP INC.

Per: DocuSigned by: Hessam Ghadaki 49749D6CBE1347C...

Name: HESSAM GHADAKI

Title: Director

I have authority to bind the corporation and the corporation has the authority to bind the limited partnership.

NOMINEE:

3143 HOLDINGS INC.

Per: DocuSigned by: Hessam Ghadaki 49749D6CBE1347C...

Name: HESSAM GHADAKI

Title: Director

I have authority to bind the corporation.

SCHEDULE "A"
Legal Description

PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770; CITY OF MARKHAM, being all of PIN 03055-0377 (LT)

PART LOT 30, CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770; CITY OF MARKHAM, being all of PIN 03055-0379 (LT)

PART LOT 30, CONCESSION 4, PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM, being all of PIN 03055-0380 (LT)

This is Exhibit "H" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

THIS AGREEMENT is made the 17th day of August, 2023.

AMENDMENT TO AGREEMENT OF PURCHASE AND SALE

B E T W E E N :

SOW CAPITAL ONTARIO LIMITED, UNDER POWER OF SALE (the **"Vendor")**

- and -

2816513 ONTARIO INC. (the **"Purchaser")**

WHEREAS the Vendor and Purchaser have previously entered into an agreement of purchase and sale agreement dated July 18, 2023 (the **"Agreement")** whereby the Vendor agreed to sell and the Purchaser agreed to purchase those lands described as Part Lot 30, Concession 4, Part 2, 6 & 7 on Plan 65R-39839, Subject to an Easement in Gross over Parts 4 & 5 on Plan 65R-39880 as in YR3455770, City of Markham, being P.I.N. No. 03055-0380 (LT), Part Lot 30 Concession 4 designated as Parts 8 & 9 on Plan 65R-39839, Subject to an Easement in Gross over Parts 1 to 3 inclusive Plan 65R-39880 as in YR3454770, City of Markham, being P.I.N. No. 03055-0377 (LT) and Part Lot 30, Concession 4, Parts 1, 4 & 5 on Plan 65R-39839, Subject to an Easement in Gross over Parts 7 & 8 Plan 65R-39880 & Part 2 Plan 65R-39948 as in YR3455770, City of Markham, being all of P.I.N. No. 03055-0379 (LT) and municipally known as 3413 19th Avenue, Markham, Ontario (the "**Property**");

AND WHEREAS the parties wish to amend the Agreement on the terms hereinafter set out;

NOW THEREFORE in consideration of the payment of the sum of $2.00 and the exchange of the covenants and agreements contained in this amendment and for other good and valuable consideration (the receipt and sufficiency of which is expressly acknowledged by the parties hereto), the Assignor and the Assignee each covenant and agree as follows:

1. Section 1 to the Agreement is amending by deleting the following:

   "***Due Diligence Date***" means thirty (30) Calendar Days following the Acceptance Date.

   "***Closing Date***" means the date that is sixty (60) Calendar Days following waiver of satisfaction of the Due Diligence Condition.

   and replacing the above deleted wording with the following:

   "***Due Diligence Date***" means August 28, 2023.

   "***Closing Date***" means October 16, 2023.

2. All other terms and conditions of the Agreement shall remain the same and continue to be in full force and effect and time shall continue to be of the essence.

3. This Agreement may be executed in any number of counterparts. A party may send a copy of its executed counterpart to the other party by scan and email or facsimile transmission instead of delivering a signed copy original of that counterpart. Each executed counterpart (including each copy sent by email or facsimile transmission) shall be deemed to be an original. Executed counterparts signed by all parties collectively, shall constitute one agreement and shall have the same legally binding effect as if it were an original.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

2816513 ONTARIO INC.

Per: ____________________________
Name: HUNTER Liam
Title: Authorized Signing Officer

I/We have authority to bind the Corporation.

SOW CAPITAL ONTARIO LIMITED, UNDER POWER OF SALE

Per: ____________________________
Name: Philip Wong Kun To
Title: Authorized Signing Officer

I/We have authority to bind the Corporation.

This is Exhibit "I" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

Ontario

Ministry of Public and
Business Service Delivery

Profile Report

SOW CAPITAL ONTARIO LIMITED as of September 20, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	SOW CAPITAL ONTARIO LIMITED
Ontario Corporation Number (OCN)	2734061
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	December 24, 2019
Registered or Head Office Address	181 University Avenue, 2100, Toronto, Ontario, Canada, M5H 3M7

Active Director(s)

Minimum Number of Directors	1
Maximum Number of Directors	10

Name	WONG KAN CHUNG
Address for Service	181 University Avenue, 2100, Toronto, Ontario, Canada, M5H 3M7
Resident Canadian	Yes
Date Began	April 30, 2021

Name	ALFA YONG LI
Address for Service	2555 Westminster Hwy, 92, Richmond, British Columbia, Canada, V7C 5P6
Resident Canadian	Yes
Date Began	December 24, 2019

Name	PHILIP WONG
Address for Service	127-131 Des Voeux Road, Unicorn Trade Centre 602, Central, Hong Kong Special Administrative Region, China,
Resident Canadian	No
Date Began	December 24, 2019

Active Officer(s)

Name	WONG KAN CHUNG
Position	Secretary
Address for Service	181 University Avenue, 2100, Toronto, Ontario, Canada, M5H 3M7
Date Began	April 30, 2021

Name	PHILIP WONG
Position	President
Address for Service	127-131 Des Voeux Road, Unicorn Trade Centre 602, Central, Hong Kong Special Administrative Region, China,
Date Began	December 24, 2019

Corporate Name History

Name	SOW CAPITAL ONTARIO LIMITED
Effective Date	December 24, 2019

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Document List

Filing Name	Effective Date
CIA - Initial Return PAF: PHILIP WONG - DIRECTOR	May 04, 2021
BCA - Articles of Incorporation	December 24, 2019

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

This is Exhibit "J" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

MARKHAM

Report to: Development Services Committee | Report Date: July 8, 2021

SUBJECT: City of Markham Comments to the Province on a Minister's Zoning Order (MZO) request by Tung Kee Investment Limited Partnership representing SOW Capital Limited ("the Owner") to the Minister of Municipal Affairs and Housing ("MMAH") to permit a 332,149.85m2 employment development at 3143 19th Avenue (Ward 2)

File No.: MZO 21 121854

PREPARED BY: Special Projects Team

REVIEWED BY: Brad Roberts broberts@markham.ca Manager, Zoning & Special Projects
Marg Wouters, R.P.P., M.C.I.P., Senior Manager, Policy & Research mwouter@markham.ca

---

RECOMMENDATION:

1) That the report titled, "City of Markham Comments to the Province on a Minister's Zoning Order (MZO) request by Tung Kee Investment Limited Partnership representing SOW Capital Limited ("the Owner") to the Minister of Municipal Affairs and Housing ("MMAH") to permit a 332,149.85m2 employment development at 3143 19th Avenue (Ward 2), File No.: MZO 21 121854", dated July 8, 2021, be received;

2) That the City of Markham support the Minister's Zoning Order request, by Tung Kee Investment Limited Partnership representing SOW Capital Limited, subject to the recommended revisions to the Order, attached in Appendix 'B' to this Staff report;

3) That this report be forwarded to the Minister of Municipal Affairs and Housing, as the City of Markham's comments on the MZO request by Tung Kee Investment Limited Partnership representing SOW Capital Limited for the lands at 3143 19th Avenue; and,

4) And further that staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

The purpose of this report is to provide comments to the Ministry of Municipal Affairs and Housing on a Minister's Zoning Order application submitted by Tung Kee Investment Limited Partnership representing SOW Capital Limited, on the property known as 3143 19th Avenue (the subject property).

The applicant is proposing to advance zoning permissions through the MZO process to secure a production studio (film studio) and other employment uses, along with limited ancillary uses on the subject property. The lands in question are located within a Future Employment Area, as outlined in Markham's 2014 Official Plan, and the applicant is seeking land use permissions in advance of the Secondary Plan process.

Production studios, employment uses, and the ancillary uses proposed within the recommended revised draft MZO are consistent with the direction of the Official Plan related to Business Park and limited Service Employment uses, and are consistent with other uses in the employment designations. The revised draft MZO does not encroach into any lands regulated under the Greenbelt Plan, and excludes lands abutting Woodbine Ave. that are part of the City's Greenway system.

A number of technical details including servicing and the associated road network, will need to be addressed by the applicant through the subdivision and/or site plan process or other municipal processes as appropriate. The applicant has not requested that site plan approval authority be retained by MMAH, and therefore site plan approval remains with the City.

Staff do not object to the proposed land uses as outlined in the revised draft MZO, subject to the applicant resolving the technical details through subsequent application to the City.

PURPOSE:

This report provides City of Markham comments on a MZO application submitted by Tung Kee Investment Limited Partnership representing SOW Capital Limited to permit the development of a Production Studio (film studio), ancillary uses as well as other supportive employment uses totaling 332,149.85m^2 at 3143 19th Avenue.

Process to date:
Tung Kee Investment Limited Partnership is requesting City of Markham's support for a MZO request
Section 47 of the *Planning Act* authorizes MMAH to issue MZOs to control the use of land anywhere in Ontario. MZOs prevail over local Official Plans and zoning by-laws, and are intended to be used to protect matters of provincial interest.

On May 17, 2021, an application for Markham Council support of an anticipated MZO request to the Minister was submitted to the City by MHBC Planning on behalf of Tung Kee Investment Limited Partnership. The MZO request to the Minister was to permit the development of a production (film) studio in the eastern portion of the property, with additional uses, including office, hotel, and other ancillary uses, proposed in the western portion of the property closer to Woodbine Ave.

The initial MZO proposal to Markham on May 17, 2021 also contained residential, seniors living and long-term care uses. In staff's opinion the MZO should be to permit the film production studio, ancillary uses and other supportive employment uses. Therefore, further to discussions with Staff, on June 14, 2021, MHBC Planning submitted a revised MZO proposal to the City removing the residential, seniors living and long-term care facility components. (See Figures 7 and 8).

MHBC Planning advised City Staff that an MZO request, reflecting the revised proposal, was filed with the MMAH on June 15, 2021. As of July 2, 2021, a formal request for City comments by MMAH on the MZO had not yet been received.

Since the MZO request was made to the Ministry, Staff and the applicant have continued to review the proposal for appropriate employment and ancillary uses as well as development standards. The current proposal, including all of the changes agreed to with Staff is the subject of this report.

Next Steps:
If the recommended revisions to the MZO request to the Ministry, attached as Appendix 'B', are supported by Committee/Council, this report can be forwarded to MMAH once a formal request for comments from the Province has been received. Future development of the subject lands will first require subdivision approval and/or site plan approval by the City.

BACKGROUND
Site and Area Context
The 40.3 ha (99.6 ac) subject lands are located on the south-east corner of 19th Avenue and Woodbine Avenue, municipally known as 3143 19th Avenue, as shown on Figure 1. Berczy Creek, bisects the subject lands. The watercourse and valleylands are designated Greenbelt Area in the Greenbelt Plan (Figure 5). A second watercourse running north-south along the Woodbine Avenue frontage is also designated Greenway System in the Official Plan but is not within the Greenbelt. Both the Greenbelt lands and the Greenway System lands adjacent to Woodbine Avenue have been excluded from the MZO.

Surrounding land uses are currently predominantly agricultural in nature (Figure 3), although all of the lands are designated for employment uses in the Official Plan through either the in-effect 404 North Secondary Plan (west of Woodbine Ave) or 'Future Employment Area' (to the north, south and east of the subject lands). The subject lands and surrounding area are not presently serviced by municipal water and wastewater treatment services. The Trans Canada pipeline runs east-west immediately to the south of the subject property.

Proposal

The MZO application is in support of a development concept consisting of five primary development blocks as outlined in Table 1 and shown on Figures 7 and 8.

Table 1

	PRELIMINARY BLOCK AREAS	PROPOSED USES	GFA
Block 1	4.24ha 10.48ac	Office, Food & Beverage, Retail	144,281.25m^2 (1,553,028.95ft^2)
Block 2	4.77ha 11.79ac	Hotel, Food & Beverage, Retail, Office	114,359.6m^2 (1,230,955.3ft^2)
Block 3	0.57ha 1.4ac	SWM and surface parking	N/A

Block 4A	4.27ha 10.55ac	Creative Employment (Office and Film Production)	13,950m^2 (150,156.41ft^2)
Block 4B	4.13ha 10.2ac	Film Production Studio	15,043m^2 (161,921.35ft^2)
Block 5	8.19ha 20.24ac	Film Production Studios, Office	44,516m^2 (479165.77ft^2)

The primary use being sought through the MZO application is a film production studio The production studio component is proposed to the east of a proposed north-south public road (shown in orange on Figure 8) and further to the east across the Greenbelt area that is bounded by 19th Avenue to the north and the eastern limits of the subject property (shown in blue on Figure 8). In terms of phasing, as identified in the applicant's vision document (Appendix 'C'), the production studio component on Block 5 in the easterly portion of the site, east of the Berczy Creek Greenbelt lands is intended to proceed first, with a proposed total GFA of approximately 59,000 m2 (635,092ft2) in the initial phase.

Of the total 332,150m^2 (3,575,350ft^2) GFA proposed for the lands, approximately 273,000 m^2 (2,938,644ft^2) of office, food and beverage, retail, hotel, and other supportive uses are proposed to be located generally within the western portion of the subject property and bounded to the east by the proposed public road . The revised MZO restricts ancillary uses to a maximum of 15% of the gross floor area of the employment uses.

The maximum FSI proposed is 1.5x lot coverage. The applicant's current proposal includes the following employment and ancillary uses:

Table 2

EMPLOYMENT USES	ANCILLARY USES
Business Offices Financial Institutions Hotels Limited Industrial and Warehousing Uses Medical Offices Parking Garages Parks, Public Parks, Private Production Studios (film studios) Trade and Convention Centres	Art Galleries Child Care Centres Commercial Fitness Centres Nightclubs Personal Service Shops Places of Amusement Places of Entertainment Indoor Recreational Establishments Retail Stores Restaurants Restaurants, Take-out Theatres

City of Markham's 2014 Official Plan
The subject lands were included in Markham's Urban Area through the 2014 Official Plan. The lands are identified as 'Future Urban Area" and more specifically designated 'Future Employment Area' on Map 3 – Land Use (see Figure 4). The 'Future Employment Area' designation applies to the majority of the concession block east of Woodbine Ave and north of Elgin Mills Road and is intended to accommodate employment area uses. Although the Urban Area boundary is in effect, the 'Future Employment Area' designation on the subject lands is still under appeal.

Section 8.12 of the Official Plan provides guidance on planning for the entirety of the Future Urban Area in north Markham including the subject lands. Among the requirements prior to development approval are a non-statutory master planning exercise [i.e, the Conceptual Master Plan (CMP) which was endorsed by Council in October 2017], to be followed by secondary plans which would determine specific land use designations. Section 8.12 of the Official Plan is also currently under appeal.

Zoning
The subject lands are zoned A1 (Agriculture) and O1 (Open Space) under zoning By-law 304-87, as amended (Figure 2). The proposed development is not permitted by the Zoning By-law.

DISCUSSION:

Consistency with the FUA Conceptual Master Plan and timing of secondary plan for the 'Future Employment Area' (Employment Block)

The 2017 endorsed CMP, which was City-led, provided a comprehensive planning and servicing framework for the entire FUA lands, including the subject lands (see Community Structure Plan on Figure 6). The framework was informed by a Subwatershed Study that was undertaken concurrently. It was intended that development proponents would prepare secondary plans based on the CMP. A secondary plan has not yet been initiated for the 'Future Employment Area' lands. Funding for a City-led secondary plan study is being requested as part of the 2022 Capital Budget.

The applicant's Master Plan and Concept Plan for 3143 19th Avenue are generally consistent with the Community Structure Plan in terms of land use and road pattern (with the exception of the Donald Cousens Parkway which is discussed in detail below). The alignments of these rights-of-way are subject to further review through a Municipal Class EA Study that is required for the collector roads. Additional details on the implementation processes involved are discussed later in this report.

The applicant's Vision Statement document (Appendix 'C'), speaks to the owner's vison that the office building components will provide cutting edge sustainable design, modelled after local and internationally renowned projects. The majority, if not all of the office buildings will be net-zero, green high-rise office buildings that intend on incorporating sustainable design practices. Many, if not all of these buildings will provide advanced sustainability features, such as green roof spaces for urban agriculture, and rooftop solar panels to advance the sustainability policies of the Official Plan.

In order to assist in achieving the applicant's vision for this development; ensure that appropriate and predictable development standards are included; ensure that ancillary uses remain limited in size, area and location in relation to the employment uses; and, ensure the general intent of the 2014 Official Plan is maintained, Staff worked with the applicant to make key changes to the proposed MZO with regard to development standard matters such as landscaping, building setbacks, electric vehicle parking and charging stations, bicycle parking requirements etc. as well as the following:

1. Capping ancillary uses to not exceed 15% of the gross floor area of all employment uses.

2. Requiring that 90% of the floor areas of all ancillary uses be located within multi-storey buildings and be located within 400 metres of Woodbine Avenue.

   These modifications would require the majority of ancillary uses to be integrated into multiple storey buildings that likely would contain multiple uses; limit stand-alone ancillary use buildings; and, direct the majority of the ancillary uses to the western portion of the subject lands which in turn, would protect the remainder of the employment area from the proliferation of any substantial ancillary use development.

3. Permitting maximum building heights of 20 storeys for buildings located up to 400 metres from the centreline of Woodbine Avenue and, restricting the heights of all other buildings beyond 400 metres from the centreline of Woodbine Avenue to 6 storeys.

   These modified standards would direct the bulk and massing of the site to the block(s) on the western portion of the subject lands and ensure that view corridors and vistas of the Greenbelt lands are not negatively impacted.

Servicing

As indicated above, the subject lands and surrounding area are not presently serviced by municipal sanitary or water services. In developing the Community Structure Plan for the FUA, a Class Environmental Assessment (Class EA), using a Master Plan approach, was completed to identify the recommended water and wastewater systems for the FUA.

The applicant has provided a Conceptual Servicing Design Brief in support of the MZO submission which outlined options to service the east and west blocks of the subject lands. The brief focused on a phased development approach with the initial phase contemplating the film production studio component. The servicing options provided are as follows:

1. Construction of Water and Wastewater Systems to serve the FUA
2. Connection to municipal servicing within the Highway 404 North Secondary Plan System
3. Provision of Interim Private Water and Sewage Systems

While options 1 and 2 would provide full municipal servicing to the eastern portion of the site (lands from Woodbine Avenue to the Greenbelt boundary), the applicant is advancing interim private water and sewage systems to predominantly accommodate the film production studio use on Block 5. It is noted that the lands to the west of the Greenbelt on Block 4, also proposed for the film production studio uses, are intended to be serviced by private water and sewage systems for the foreseeable future.

The applicant is aware that the 'Future Urban Area' is ultimately required to be serviced by full municipal water and wastewater treatment systems and understands that the full buildout of the site would likely require such connections. However, in the interim, at the required draft plan stage, the applicant will be required to submit for approval, a Functional Servicing Report (FSR) and either a Master Environmental Servicing Plan (MESP) or an Environmental Impact Study (EIS) (to be determined by the City).

<u>Public Road Network</u>
York Region's Official Plan and Transportation Master Plan (TMP) as well as the City's Official Plan (2014) identify a conceptual alignment of the Donald Cousens Parkway (DCP) extension from Highway 48 to Highway 404. When this conceptual alignment was initially identified its need within the 2041 planning horizon was not tested, particularly in relation to the existing road grid in north Markham and potential improvements to that grid. In view of development plans in the Future Urban Area, in 2019, the City and York Region initiated a joint transportation planning study to re-assess the Regional function of DCP Extension. A key finding of the joint study was that, without the DCP Extension, improvements and extension of the existing road network would be sufficient to accommodate projected growth in north Markham. Furthermore, the study found that preliminary analysis of capital construction costs and environmental impacts do not support the DCP Extension. These findings were presented to Development Services Committee on December 8, 2020, and staff recommended that the DCP Extension be eliminated by formally removing it from the City and York Region Official Plans. Development Services Committee deferred their decision until further information is presented. The Engineering Department has advised that further analysis with respect to the DCP extension is expected to be undertaken once the Region has finalized its 2051 growth forecasts and that such analysis is still expected to confirm the findings of the initial joint study with the Region. Further, the Engineering Department has noted that even if an extension of the DCP is determined to be needed, there are multiple alignment options that can locate the extension of the DCP outside the subject property, which will be subject to a future EA, if necessary.

Further, the CMP and York Region Transportation Master Plan (TMP) identified a widening of 19th Avenue and Woodbine Avenue (from Victoria Square Blvd. to 19th Avenue) from two lanes to four lanes within 43 metre ROW widths. Additional lands may also be required to accommodate turn lanes at the intersection of Woodbine Avenue and 19th Avenue. The applicant has advised that these improvements to the major road system can be accommodated.

Moreover, the applicant's Masterplan and Block Plan for the subject lands appear to have contemplated the FUA CMP road network, namely the north-south right-of-way off of 19th Avenue and the east-west right-of-way off of Woodbine Avenue. It is further noted that the east-west right-of-way is required to align with the corresponding east-west collector road in the Highway 404 North Planning District (OPA 149) which was identified through a Municipal Class EA Study, completed in March 2021.

Infrastructure requirements and road alignments must be confirmed through the appropriate subdivision and EA processes.

Should the Minister determine it appropriate to issue a MZO, it is recommended that the Minister consider the revised MZO attached hereto as Appendix "B" to this report
Based on comments provided in this report, in consultation with the applicant, the City recommends that the Minister be requested to consider the revised MZO attached hereto as Appendix "B", should the Minister determine it appropriate to issue a MZO for the subject lands.

CONCLUSION:
Approval of this MZO would provide the owner with development rights that do not presently exist on the subject lands. However, having zoning in place is only one of a number of components of the development approval process. As indicated in this Staff report, in order for the owner's vision to be realized, approval of studies and reports would be required to support any proposed development, prior to the building permit stage. In the opinion of Staff, the revised MZO has regard for the 2014 Official Plan by ensuring that the uses proposed are consistent with, yet scaled back from, those identified in Section 8.5 "Employment Lands" section of the Official Plan. Although Section 7.2.1.6 of the Official Plan requires full municipal water and wastewater treatment systems in the FUA, the applicant has clearly indicated their intent on servicing the lands by municipal means in the future and understands that this infrastructure is required in order to achieve the full development opportunities for the site. The proposed internal public roads are generally consistent with the locations identified in the endorsed CMP and such infrastructure requirements and road alignments are to be confirmed through the appropriate subdivision and/or EA process.

Other levels of government including, but not limited to, the Regional Municipality of York and the TRCA will be involved in any future Planning Act applications associated with these lands. Planning Act applications including Draft Plan of Subdivision(s) and Site Plan Approval(s), are optimal tools to thoroughly evaluate a development proposal and secure matters of interest to the City and external agencies. In addition, these processes ensure that the public is fully engaged and consulted throughout the planning process.

Staff support, in principle, the MZO subject to the revisions contained in (Appendix "B") and recommend that this report be forwarded to the Ministry of Municipal Affairs and Housing, as the City's comments once a formal MZO request by MMAH to the City has been received for the subject lands.

FINANCIAL CONSIDERATIONS AND TEMPLATE
Not Applicable

HUMAN RESOURCES CONSIDERATIONS
Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:
Should the Minister determine it appropriate to issue a MZO for the subject lands, the proposed development would be evaluated in the context of growth management, environmental, and

strategic priorities of Council through the subdivision and site plan approval processes.

BUSINESS UNITS CONSULTED AND AFFECTED:
Policy Planning, Planning and Urban Design, Engineering and Economic Development were consulted on this report.

RECOMMENDED BY:

Ron Blake, M.C.I.P, R.P.P Senior Development Manager, Planning and Urban Design	**Biju Karumanchery, M.C.I.P, R.P.P** Acting Commissioner of Development Services

ATTACHMENTS:

Figure 1: Location Map
Figure 2: Area Context - Zoning
Figure 3: Aerial Photo
Figure 4: 2014 Official Plan Map 3 - Land Use
Figure 5: 2014 Official Plan Map 4 - Greenway System
Figure 6: Community Structure Plan (CSP)
Figure 7: Master Plan
Figure 8: Block Plan

Appendix ‘A’: Draft Minister’s Zoning Order (as submitted on June 14, 2021)
Appendix ‘B’: Revised Draft Minister’s Zoning Order
Appendix ‘C’: Vision Document One Markham a Unique Employment Ecosystem

Figure 1

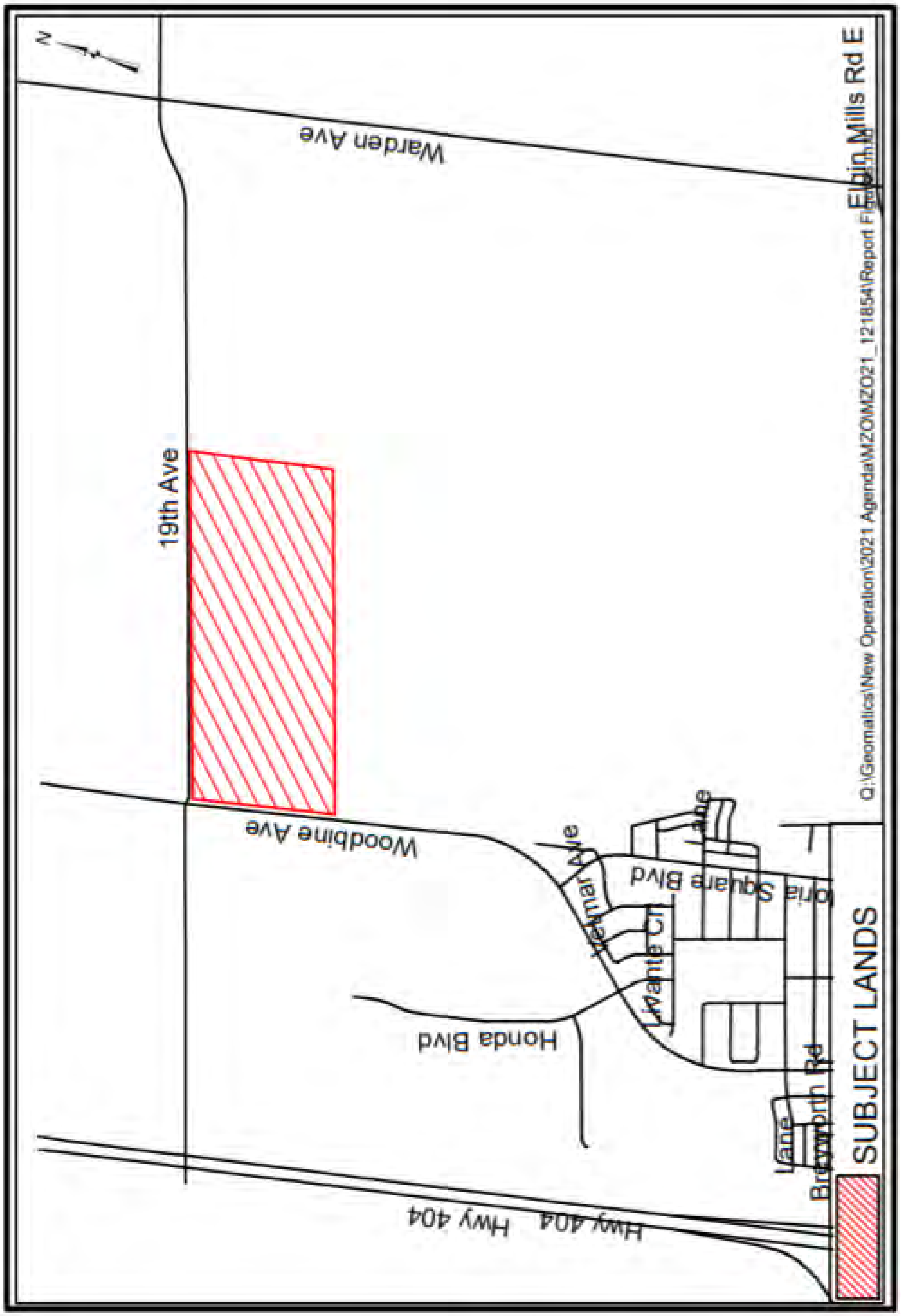

N
Warden Ave
19th Ave
Woodbine Ave
Honda Blvd
Hwy 404
Hwy 404
Elgin Mills Rd E
SUBJECT LANDS

Figure 2

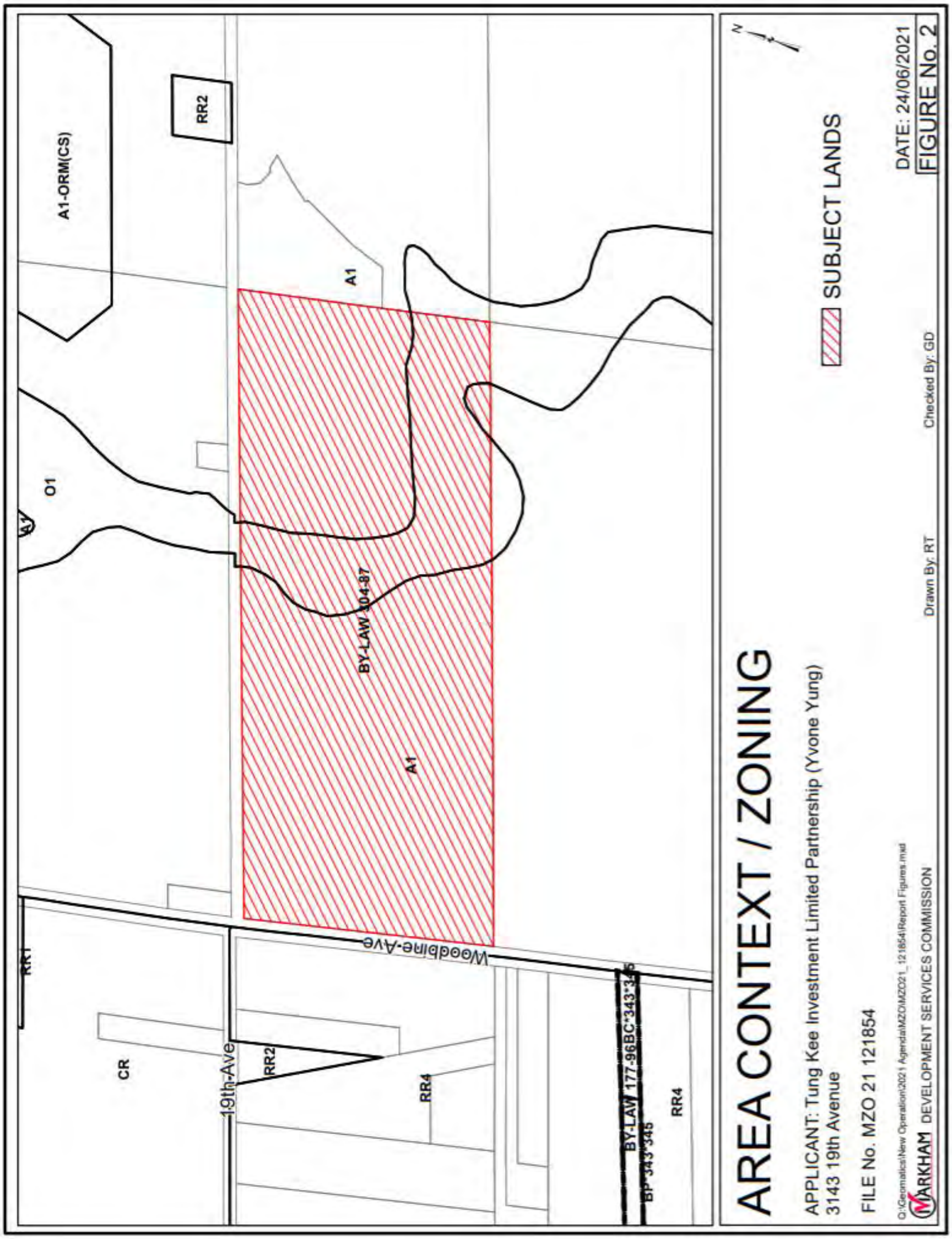

AREA CONTEXT / ZONING
APPLICANT: Tung Kee Investment Limited Partnership (Yvone Yung)
3143 19th Avenue
FILE No. MZO 21 121854
SUBJECT LANDS
DATE: 24/06/2021
FIGURE No. 2
Drawn By: RT
Checked By: GD
MARKHAM DEVELOPMENT SERVICES COMMISSION
A1-ORM(CS)
RR2
A1
O1
BY-LAW 304-87
Woodbine Ave
19th Ave
CR
RR4
RR1
BY-LAW 177-96
N

Figure 3


AERIAL PHOTO (2020)
APPLICANT: Tung Kee Investment Limited Partnership (Yvone Yung)
3143 19th Avenue
FILE No. MZO 21 121854
MARKHAM DEVELOPMENT SERVICES COMMISSION
Drawn By: RT
Checked By: GD
SUBJECT LANDS
DATE: 24/06/2021
FIGURE No. 3
19th Ave
Woodbine Ave
N

Figure 4

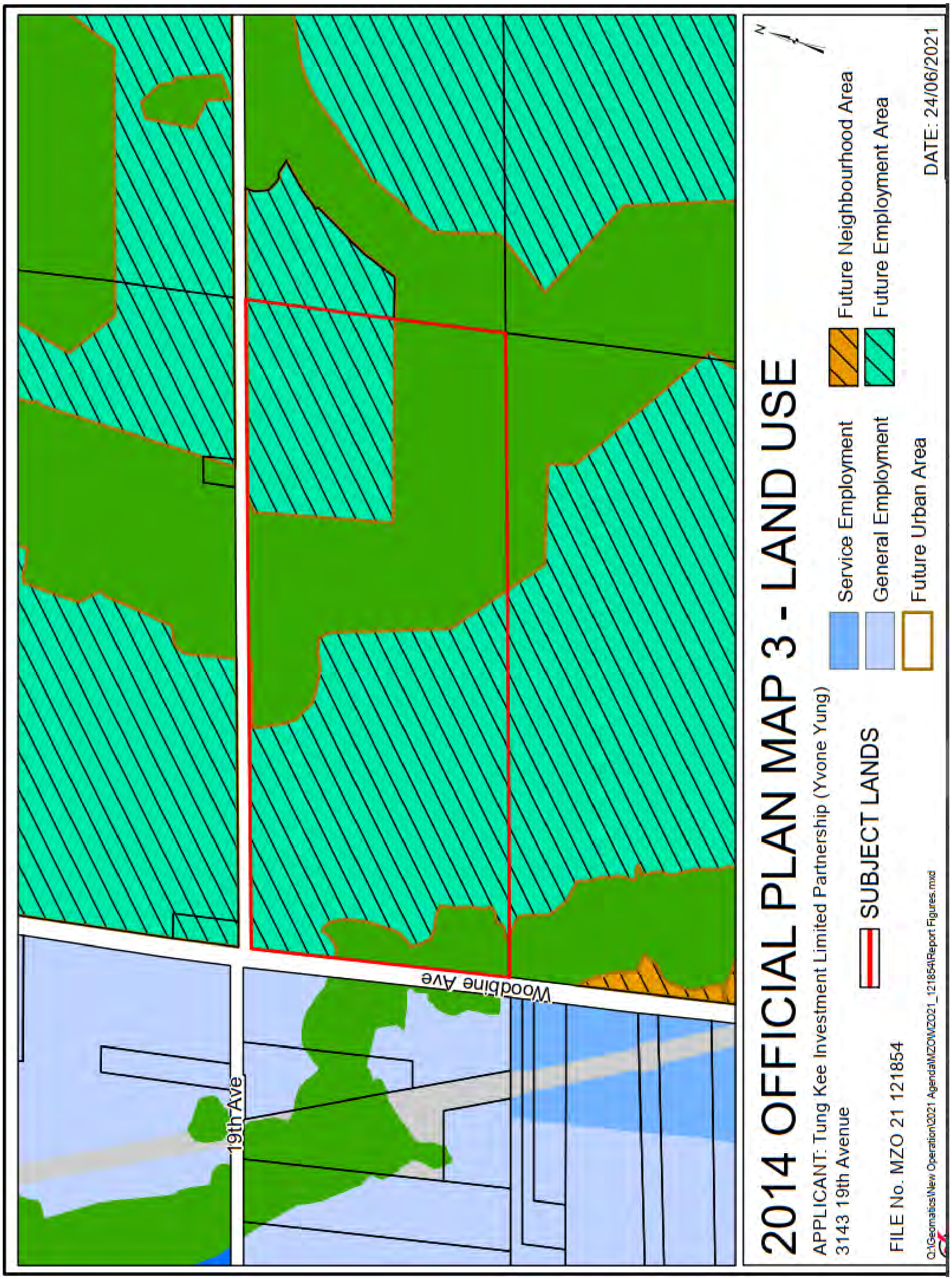

2014 OFFICIAL PLAN MAP 3 - LAND USE
APPLICANT: Tung Kee Investment Limited Partnership (Yvone Yung)
3143 19th Avenue
FILE No. MZO 21 121854
SUBJECT LANDS
Service Employment
General Employment
Future Urban Area
Future Neighbourhood Area
Future Employment Area
DATE: 24/06/2021
N
Woodbine Ave
19th Ave

Figure 5

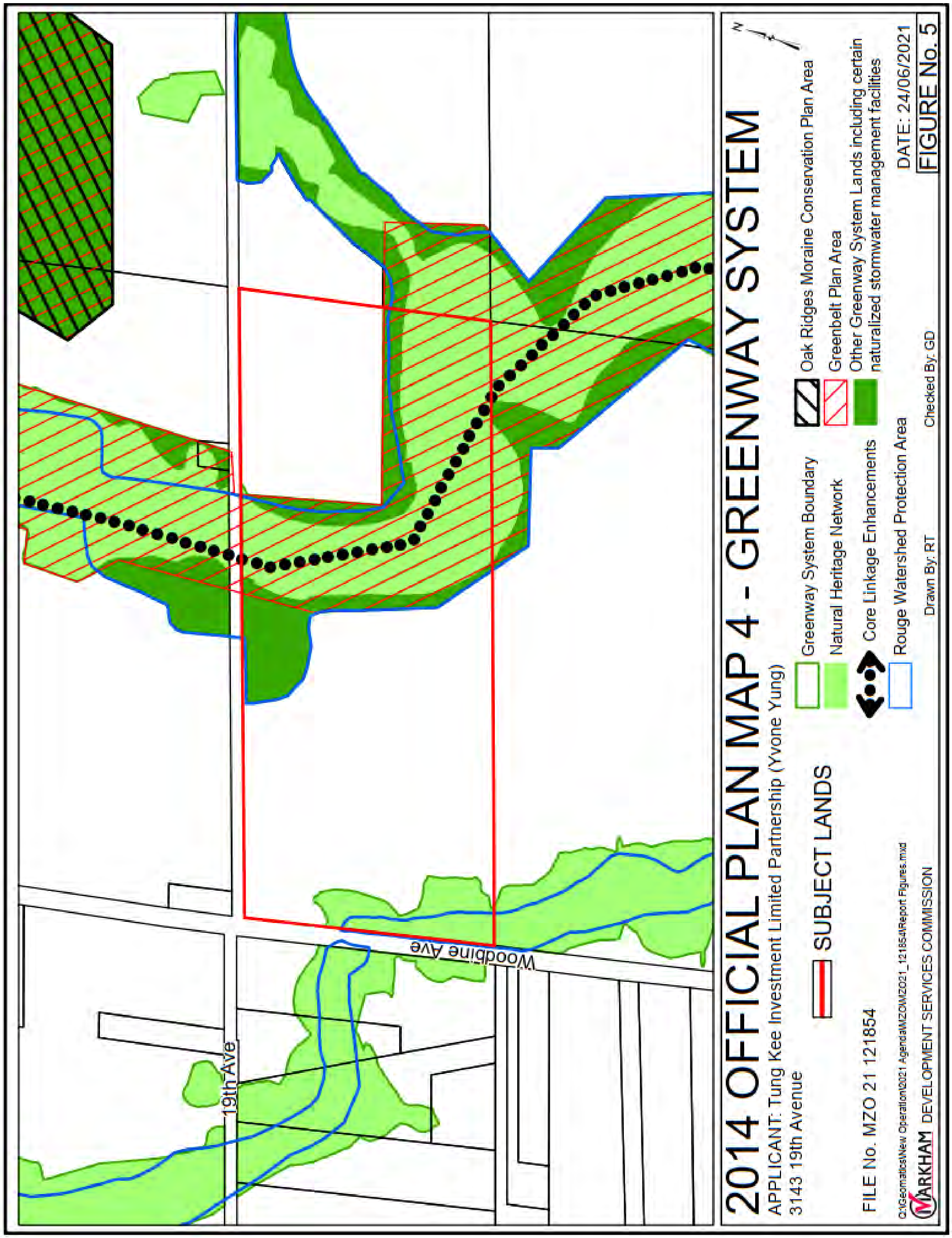

2014 OFFICIAL PLAN MAP 4 - GREENWAY SYSTEM
APPLICANT: Tung Kee Investment Limited Partnership (Yvone Yung)
3143 19th Avenue
SUBJECT LANDS
Greenway System Boundary
Natural Heritage Network
Core Linkage Enhancements
Rouge Watershed Protection Area
Oak Ridges Moraine Conservation Plan Area
Greenbelt Plan Area
Other Greenway System Lands including certain naturalized stormwater management facilities
FILE No. MZO 21 121854
DATE: 24/06/2021
FIGURE No. 5
Drawn By: RT
Checked By: GD
MARKHAM DEVELOPMENT SERVICES COMMISSION
Woodbine Ave
19th Ave

Figure 6

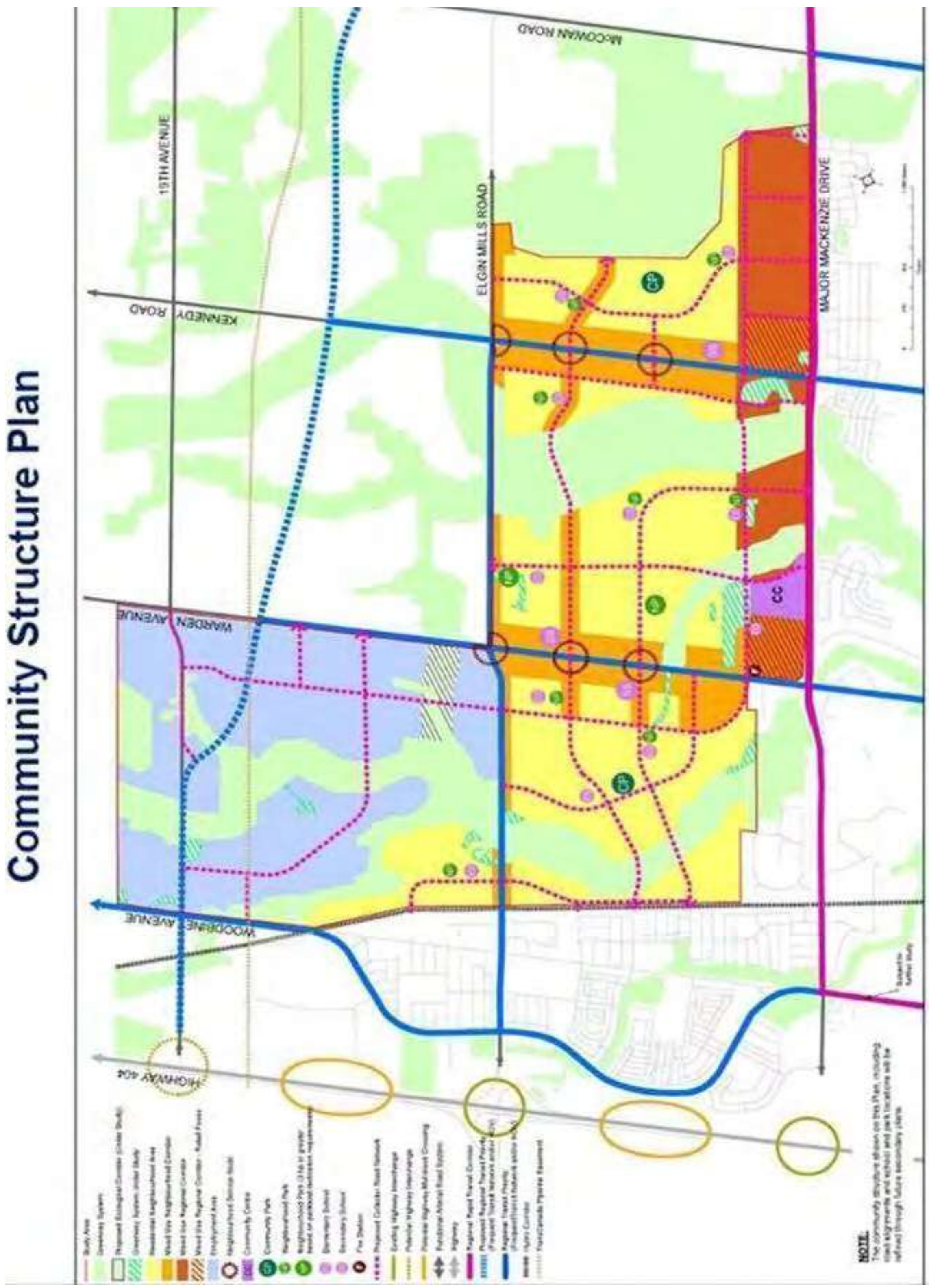

Community Structure Plan
19TH AVENUE
McCOWAN ROAD
KENNEDY ROAD
ELGIN MILLS ROAD
MAJOR MACKENZIE DRIVE
WARDEN AVENUE
WOODBINE AVENUE
HIGHWAY 404
CC

Figure 7

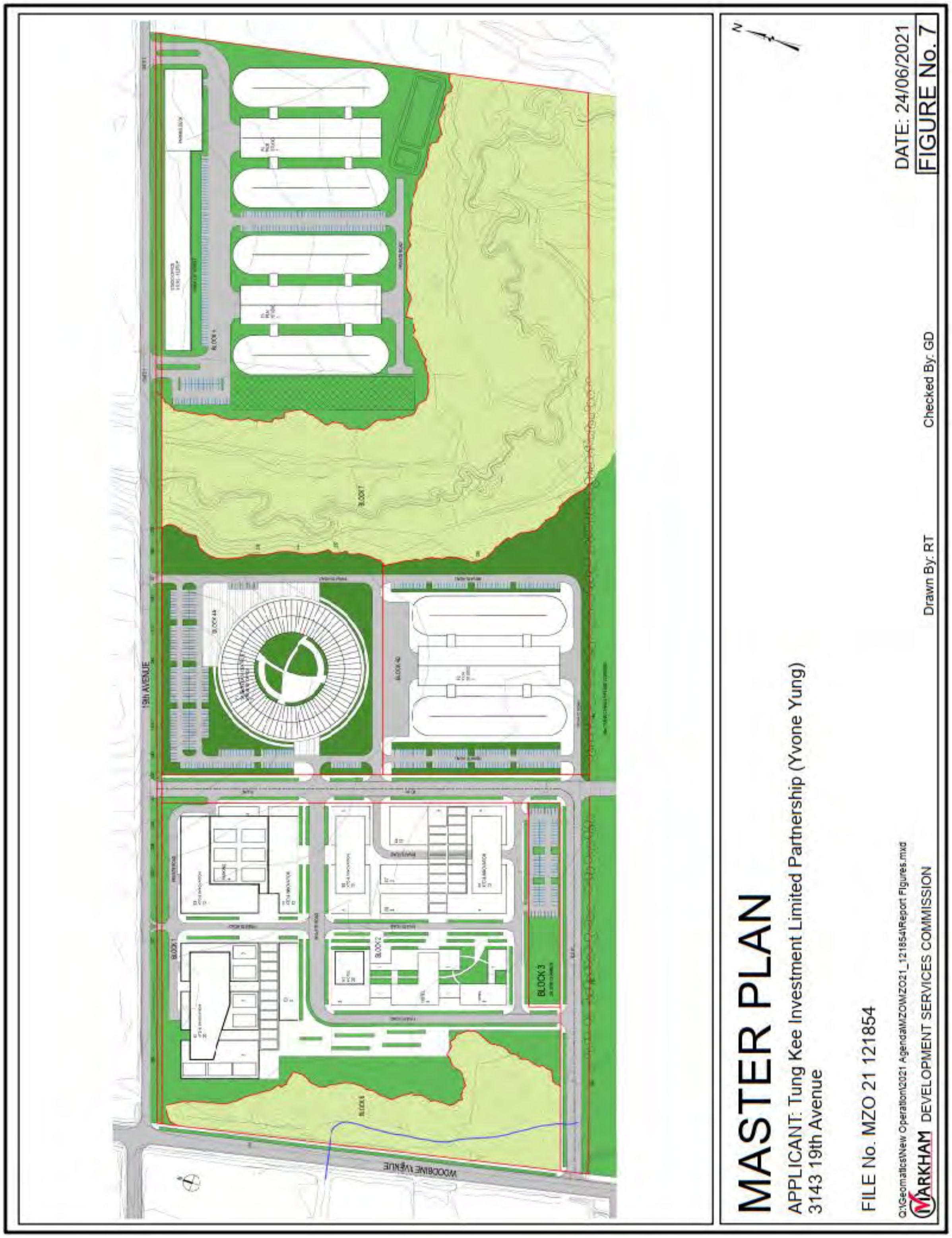
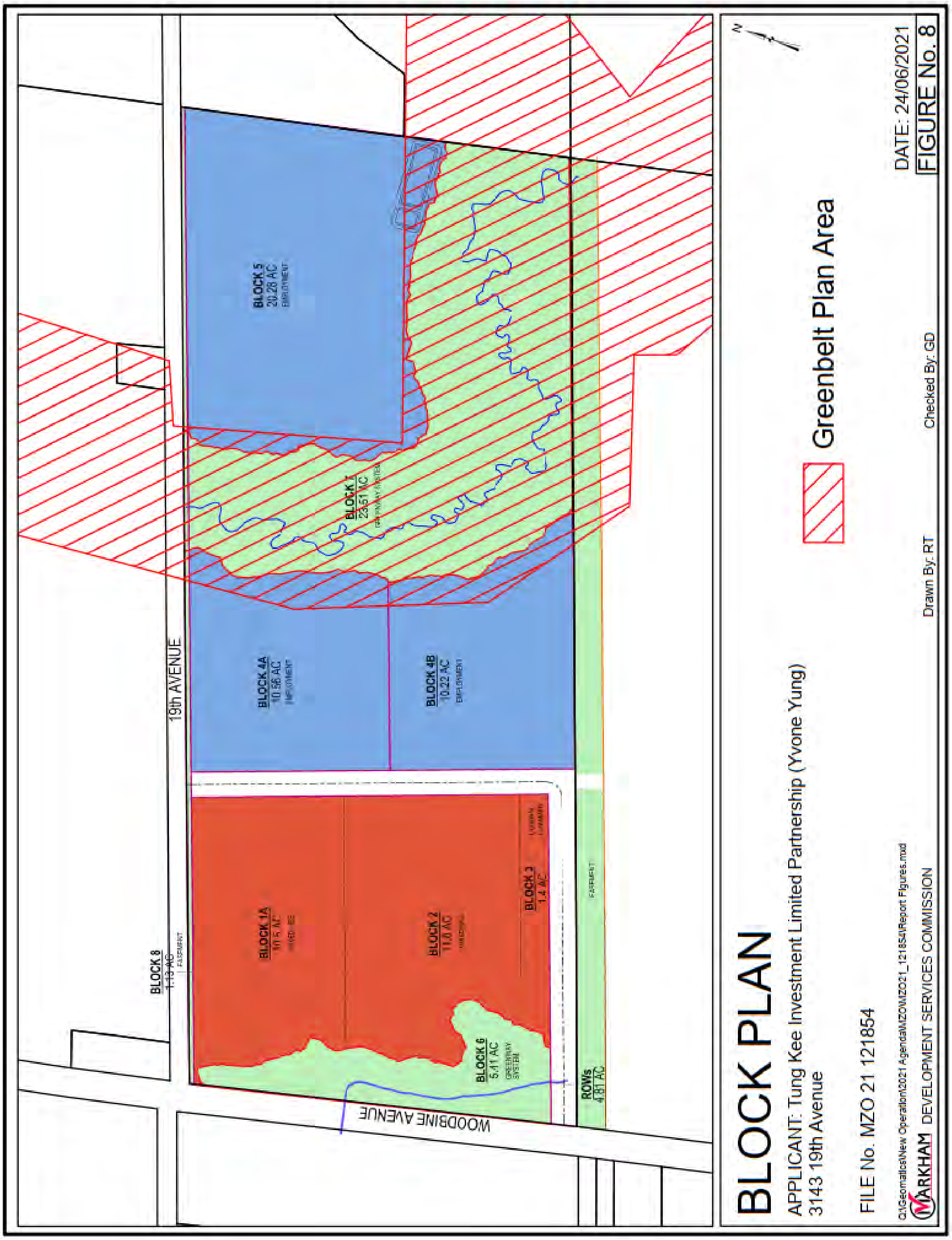

19th AVENUE
WOODBINE AVENUE
BLOCK 3
MASTER PLAN
APPLICANT: Tung Kee Investment Limited Partnership (Yvone Yung)
3143 19th Avenue
FILE No. MZO 21 121854
Q:\Geomatics\New Operation\2021 Agenda\MZO\MZO21_121854\Report Figures.mxd
MARKHAM DEVELOPMENT SERVICES COMMISSION
Drawn By: RT
Checked By: GD
DATE: 24/06/2021
FIGURE No. 7

Figure 8


BLOCK PLAN
APPLICANT: Tung Kee Investment Limited Partnership (Yvone Yung)
3143 19th Avenue
FILE No. MZO 21 121854
MARKHAM DEVELOPMENT SERVICES COMMISSION
Greenbelt Plan Area
DATE: 24/06/2021
FIGURE No. 8
Drawn By: RT
Checked By: GD
19th AVENUE
WOODBINE AVENUE
BLOCK 5
20.28 AC
BLOCK 7
23.51 AC
BLOCK 4A
10.56 AC
BLOCK 4B
10.22 AC
BLOCK 1A
BLOCK 2
BLOCK 3
1.4 AC
BLOCK 6
5.41 AC
BLOCK 8
ROWs
4.81 AC

Appendix 'A'

Draft Minister's Zoning Order (as submitted by the applicant on June 14, 2021)

ONTARIO REGULATION

made under the

PLANNING ACT

ZONING ORDER - CITY OF MARKHAM, REGIONAL MUNICIPALITY OF YORK

Definitions

1. In this Order,

"accessory", when used to describe a use, building or structure on the lands described in section 2 means a use, building or structure that is normally incidental or subordinate to a principal use, building or structure located on the same lot, including but not limited to,

(a) administrative offices
(b) community centres
(c) private clubs

"ancillary", when used to describe a use, building or structure on the lands described in section 2, means retail and commercial uses that primarily serve the business functions on employment lands, including but not limited to,

(a) art galleries
(b) assembly halls
(c) child care centres
(d) commercial fitness centres
(e) day nurseries
(f) museums
(g) non-profit fitness centres
(h) nightclubs
(i) places of amusement
(j) places of entertainment
(k) places of worship
(l) private clubs
(m) recreational establishments
(n) retail stores
(o) restaurants
(p) restaurants, take-out
(q) repair shops
(r) theatres

"extended stay hotels" means a hotel in which provisions for cooking are made in individual rooms or suites, and in which guests stay for more than 30, but less than 180, days.

"production studio" means a building or structure, or part thereof, including outdoor activities, used for and associated with producing live broadcasts, motion pictures or audio or video recordings or transmissions, including, but not limited to: sound stages; costume & set decorating, construction, manufacturing, mill, workshops and assembly activities; storage of costumes, props, sets and other production materials; laundry rooms; paint rooms; creative work spaces; offices; dressing and make-up rooms; automotive detailing; fitness / wellness services; restaurants, catering / food services, food court and food trucks; personal service establishments; mailing and shipping services; equipment, material, and transportation services and storage; security and safety services; medical offices; and on-site short term accommodations.

“software development and processing” means a building or structure or part thereof used for software development and testing, or for the collection, analysis, processing, storage or distribution of electronic data

"zoning by-law" means Zoning By-law 177-96 of the City of Markham.

Application

2. This Order applies to lands in the City of Markham in the Regional Municipality of York, in the Province of Ontario, being the lands outlined in red on the map numbered ___ and filed at the Toronto office of the Ministry of Municipal Affairs and Housing located at 777 Bay Street.

Permitted uses

3. Every use of land and every erection, location or use of any building or structure is prohibited on the lands described as Business Park in section 2, except for,

(a) All uses permitted in the BP Zone
(b) Accessory uses
(c) Ancillary uses
(d) Extended Stay Hotels
(e) Production Studio
(f) Software Development and Processing
(g) Veterinary Clinics

4. Every use of land and every erection, location or use of any building or structure is prohibited on the lands described as Open Space in section 2, except for,

(a) All uses permitted in the G Zone
(b) Park, Private;

Zoning requirements

5. The zoning requirements in the Business Park (BP) Zone in the zoning by-law apply to the uses, buildings and structures permitted under section 3 with the following exceptions:

1. The minimum required yard setback to a street is 3.0 metres.
2. The maximum depth of parking area in front yard shall not apply.
3. The minimum depth of parking area in exterior side yard shall not apply.
4. The minimum required yard setback to any other lot line shall not apply.
5. The minimum required width of landscaping adjacent to front lot line shall not apply.
6. The minimum required yard setback to any lot line for below grade parking shall be 0.0m.
7. The maximum floor space index shall be 1.5 measured over the entirety of the lands described as Business Park in section 2.
8. Ancillary uses shall not exceed 15% of the maximum floor space index.
9. The minimum required yard setbacks for an accessory parking garages integrated with a building shall not apply.
10. The maximum height of a building is 20 storeys.
11. The minimum parking rate of 1.5 for each 100 square metres of gross floor area shall apply to Production Studios.
12. The minimum parking rate for Software Development and Processing shall be the same rate as a business office.

6. The zoning requirements in the Greenway (G) Zone in the zoning by-law apply to the uses, buildings and structures permitted under sections 4.

Terms of use

7. (1) Every use of land and every erection, location and use of buildings or structures shall be in accordance with this Order.

(2) Nothing in this Order prevents the use of any land, building or structure for any use prohibited by this Order if the land, building or structure is lawfully so used on the day this Order comes into force.

(3) Nothing in this Order prevents the reconstruction of any building or structure that is damaged or destroyed by causes beyond the control of the owner if the dimensions of the original building or structure are not increased or its original use altered.

(4) Nothing in this Order prevents the strengthening or restoration to a safe condition of any building or structure.

Deemed by-law

8. This Order is deemed for all purposes, except the purposes of section 24 of the Act, to be and to always have been a by-law passed by the council of the City of Markham.

Commencement

9. This Regulation comes into force on the day it is filed.

Made by:

…..……………………………………………
Signature (Blue Ink)
Minister of Municipal Affairs and Housing

Date made: ……………………………………..

Part of Lot 30, Concession 4,
Town of Markham, Regional Municipality of York

MAP No. XXX

Map filed at the office of the Ontario Ministry of Municipal Affairs and Housing, 777 Bay St., Toronto, Ontario.

Planning Act

Ontario Regulation:

Date:

Original Signed By:

LEGEND

- Lands Subject to Zoning Order
- Business Park
- Open Space
- Roads
- Assessment Parcel
- Municipal Boundary

0 100 250 500
Metres

Map Description:
This is map number xxx, referred to in a Minister's Zoning Order. It shows lands which are located in Part of Lot 30, Concession 4, Town of Markham, Regional Municipality of York.
We are committed to providing accessible customer service (https://www.ontario.ca/page/accessible-customer-service-policy).
On request, we can arrange for accessible formats and communications supports.
Please contact MMAH by email (mininfo@ontario.ca) for regulation details.

THIS IS NOT A PLAN OF SURVEY

Ontario

Appendix 'B'
Revised Draft Minister's Zoning Order

ONTARIO REGULATION

made under the

PLANNING ACT

ZONING ORDER - CITY OF MARKHAM, REGIONAL MUNICIPALITY OF YORK

Definitions
1. In this Order,

"Ancillary use", when used to describe a use, building or structure on the lands described in Section 2 of this Order, means a use that primarily serves the business functions on employment lands, including:

(a) art galleries
(b) child care centres
(c) commercial fitness centres
(d) nightclubs
(e) personal service shops
(f) places of amusement
(g) places of entertainment
(h) indoor recreational establishments
(i) retail stores
(j) restaurants
(k) restaurants, take-out
(l) theatres

"Bicycle Parking Space" means an area that is provided and maintained for the purpose of temporary storage of a bicycle or motor assisted bicycle as defined under the Highway Traffic Act. A bicycle parking space shall have the following minimum dimensions: length 1.8m; width 0.6m; and, height 1.2m.

"Electric Vehicle" means a battery electric vehicle that runs only on a battery and an electric drivetrain, or a plug-in hybrid electric vehicle that runs on a battery and an electric drivetrain, and also uses an internal combustion engine.

"Electric Vehicle Level 2 Charging Ready" means a connected point in an electrical wiring installation at which Level 2 charging service can be taken to supply utilization equipment in accordance with the Ontario Electrical Safety Code.

"Electric Vehicle Charging Station" means a publicly or privately owned parking space that provides a minimum of Level 2 charging power transfer and information exchange between a branch electric circuit and an electric vehicle and in accordance with the Ontario Electrical Safety Code.

"Employment use" when used to describe a use, includes the following:
(a) Industrial Use
(b) Business Office
(c) Medical Office
(d) Trade and Convention Centre
(e) Production Studio

"Hotel" means a non-residential establishment for temporary overnight accommodation to the public, held in common ownership. A hotel may include accessory meeting facilities, recreation facilities, restaurants, a banquet hall, and retail stores, all of which are accessory and exclusively devoted to the primary temporary overnight accommodation function, and located on the same lot. Individual hotel rooms may include cooking facilities provided individual occupancies do not exceed 180 consecutive days. A hotel shall not contain dwelling units.

"Podium" means the base or lower portion of a multistorey building, which is located above average grade level, and is measured from average grade level to the maximum podium height as set out in Section 5 of this Order. A podium may or may not have a point tower projecting above it.

"Point Tower" means portions of a building that projects above a podium.

"Production Studio" means the use of land, buildings or structures where live broadcasts, motion pictures or audio or video recordings or transmissions are filmed, produced or edited and includes other similar uses, accessory uses or activities necessary for the production of live broadcasts, motion pictures or audio or video recordings or transmissions.

"Stepback" means a portion of a building that is set back further from a lot line than any other portion of a building.

"Zoning By-law" means Zoning By-law 177-96 of the City of Markham, as amended.

Application

2. This Order applies to lands in the City of Markham in the Regional Municipality of York, in the Province of Ontario, being the lands outlined in red on the map numbered ___ and filed at the Toronto office of the Ministry of Municipal Affairs and Housing located at 777 Bay Street.

Permitted uses

3. Every use of land and every erection, location or use of any building or structure is prohibited on the lands described as Business Park in Section 2 of this Order, except for:

(a) All uses permitted in the BP Zone
(b) All uses permitted in the G Zone
(c) Hotels
(d) Production Studio
(e) Park, Private
(f) Ancillary uses

Zoning requirements

4. The zoning requirements in the Business Park (BP) Zone in the zoning by-law apply to the uses, buildings and structures permitted under Section 3 of this Order, with the following exceptions:

1. The minimum required yard setback to a street is 3.0 metres.
2. The maximum depth of parking area in front yard shall not apply.
3. The minimum depth of parking area in exterior side yard shall not apply.
4. The minimum required yard setback to any other lot line shall not apply.
5. The minimum required width of landscaping adjacent to front lot line shall be 1.5 metres.
6. Underground parking garages are permitted to be located to 0.6 metres from any lot line.
7. Notwithstanding any setback provision identified in Section 5 of this Order, a minimum 7.0m setback is required for all main buildings or structures, roads, driveways, parking spaces and parking areas from the edge of the TransCanada PipeLines Limited (TCPL) right-of-way.
8. All accessory buildings or structures shall be located a minimum of 3.0m from the edge of the TransCanada PipeLines Limited (TCPL) right-of-way.
9. The maximum floor space index shall be 1.5 measured over the entirety of the lands described as Business Park in Section 2 of this Order.
10. Ancillary uses shall not exceed 15% of the gross floor area of all employment and hotel uses.
11. 90% of the floor areas of all ancillary uses shall be located within multi-storey buildings.
12. All Hotel and ancillary uses shall be located within 400 metres of Woodbine Avenue.
13. Stepback for accessory parking garages integrated within a building to any other portion of a building is 3.0 metres.
14. The maximum height of buildings located up to 400 metres from the centreline of Woodbine Avenue is 20 storeys.
15. The maximum height of buildings beyond 400 metres from the centreline of Woodbine Avenue is 6 storeys.
16. A podium shall have a maximum height of 6 storeys.
17. Minimum stepback of a point tower from a podium is 1.8 metres.
18. The minimum parking rate of 1.5 for each 100 square metres of gross floor area shall apply to production studios.
19. 10% of the required number of parking spaces shall be electric vehicle charging station parking spaces.
20. An additional 10% of the required parking spaces shall be available for use as electric vehicle level 2 charging ready parking spaces.
21. For all uses permitted under Section 3 of this Order, the minimum number of bicycle parking spaces required shall be 1 space per $670m^2$ of gross floor area. Hotel uses are exempt from the requirement of providing bicycle parking spaces.
22. Where a road widening is taken for by a Public Authority to expand Woodbine Avenue or 19th Avenues prior to the development of the site, any required setback,

or landscape requirement shall be deemed to be measured to the lot line abutting Woodbine Avenue or 19th Avenue, as it exists on the date of the passing of this Order.

23. Warehouse uses are only permitted accessory to a permitted employment use.
24. Warehouse uses are limited to 50% of the GFA of permitted employment use.
25. Any individual industrial uses shall have a minimum GFA of 450 square metres
26. Outdoor storage is not permitted.
27. Obnoxious uses as defined within by-law 177-96 are not permitted

Terms of use

5. (1) Every use of land and every erection, location and use of buildings or structures shall be in accordance with this Order.

(2) Nothing in this Order prevents the use of any land, building or structure for any use prohibited by this Order if the land, building or structure is lawfully so used on the day this Order comes into force.

(3) Nothing in this Order prevents the reconstruction of any building or structure that is damaged or destroyed by causes beyond the control of the owner if the dimensions of the original building or structure are not increased or its original use altered.

(4) Nothing in this Order prevents the strengthening or restoration to a safe condition of any building or structure.

Deemed by-law

6. This Order is deemed for all purposes, except the purposes of Section 24 of the Act, to be and to always have been a by-law passed by the council of the City of Markham.

Commencement

7. **This Regulation comes into force on the day it is filed.**

Made by:

……………………………………………

Signature (Blue Ink)

Minister of Municipal Affairs and Housing

Date made: ……………………………………..

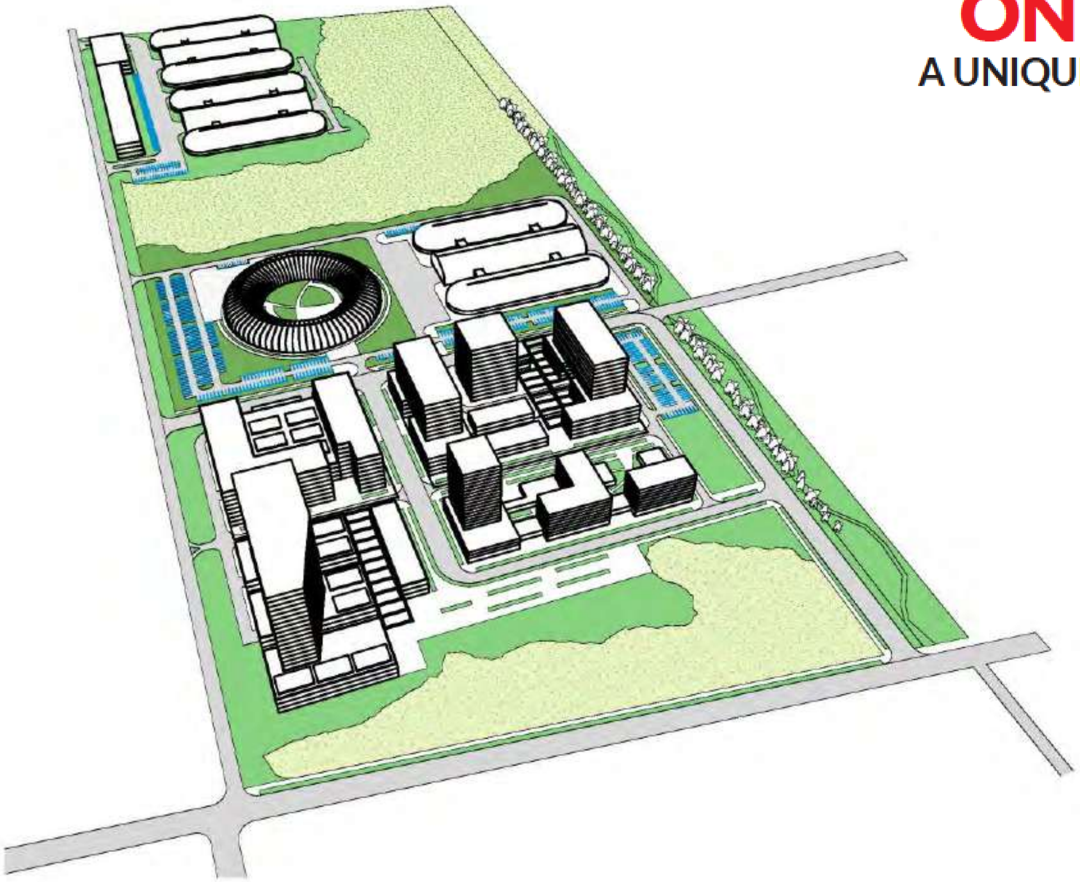

19th Ave
Woodbine Ave
LEGEND
Boundary of Zoning Area
Business Park Area
0 25 50 100 150 200
Meters
Registrar of Regulations Office
MAP No.
Map filed at the office of the Ministry of
Municipal Affairs and Housing
777 Bay St.Toronto, Ontario
The Planning Act
Ontario Regulation
Date
Original Signed By

This is Exhibit “K” referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

1008

ONE MARKHAM
A UNIQUE EMPLOYMENT ECOSYSTEM



DSC PRESENTATION

Thursday, July 8th, 2021

SOW Capital Ltd.

CXT Architects Inc.

MHBC PLANNING URBAN DESIGN & LANDSCAPE ARCHITECTURE

About SOW Capital

SOW Capital Limited is a boutique real estate investment platform managed by a team of professionals with extensive and broad industry experience in real estate investment and asset management. With offices in both Hong Kong and Shanghai, SOW Capital manages real estate investment holdings across Asia and North America.

SOW Capital's investment portfolio includes large mixed-use developments across major west coast gateway cities in the United States, such as the San Francisco Bay Area, Pacific Northwest and Southern California. Accordingly, SOW Capital Limited has experience and expertise in creating the dynamic and vibrant mixed-use employment communities that embody the 'Silicon Valley' employment experience.

SOW Capital Limited has well-established close working relationships with both domestic and foreign financial institutions, investors and developers to ensure project success and fruition. With the help of SOW Capital Limited the One Markham project will be the future home of legacy business enterprise that will create a competitive market and drive future growth in the Markham MIX.

1010

About Philip Wong

SOW Capital was founded in 2015 by Mr. Philip Wong, who has over 25 years of experience in property development, investment and construction management. Mr. Wong has a proven and successful track record managing property investment companies and engaging in the development of large-scale city-core development projects and integrated mixed-use development projects in major cities across the world. SOW Capital has successfully partnered with a number of prestigious land developers and investment firms, including Shui On Land, Chinal Xintiandi and Brookfield Property Partners, which is one of the largest asset management companies in the world.

Specifically, Mr. Wong and SOW Capital Limited is experienced in managing multi-million dollar landmark Master Plan developments, with a specialization in developing knowledge-based tech hubs and innovation communities. During his tenure as CEO of various companies under Shui On Group, Mr. Wong led the successful development of key landmark developments, which to name a few include:

- Shanghai Xintiandi (Shanghai): Mixed use shopping, entertainment and premium business centre with a GFA of approximately 1.3 million square metres;

- Knowledge and Innovation Community (Shanghai): A city-core development, with an approximate GFA of 498,000 square metres, that fosters technological innovation and entrepreneurship through a knowledge based ‘Work-Live-Learn-Play” community. The success of this project is exemplified by the Fortune 500 companies in which it serves, including IMB, HP, Oracle, Sony and Panasonic to name a few

1011

KIC, Shanghai, Knowledge and Innovation Community

Oyster Point, San Francisco, CA

Xintiandi, Shanghai

North Village, Healdsburg, CA

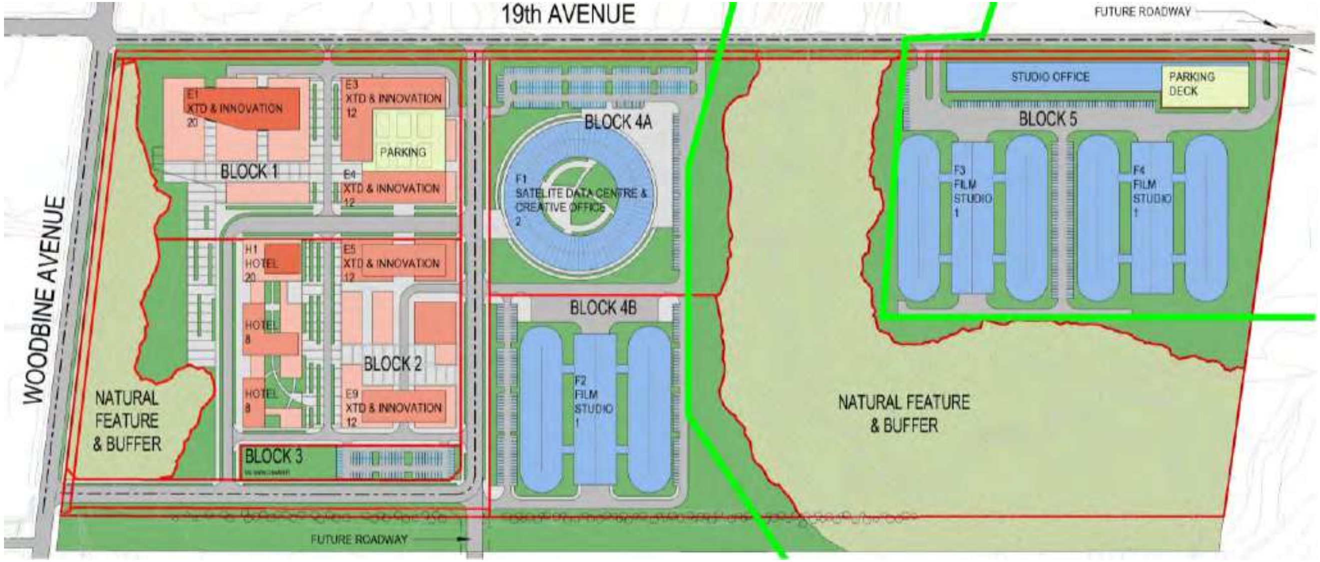
1012

Location

ONE MARKHAM
A UNIQUE EMPLOYMENT ECOSYSTEM

1013

Master Plan



STATISTICS

332,149.85 sq. m (3,575,227.77 sq. ft.) of Gross Floor Area which includes:

- 191,921.25 sq. m (2,065,821.14 sq. ft.) (58%) of Office Space;
- 59,079 sq. m (635,920.45 sq. ft.) (18%) of Creative Employment / Film Space;
- 32,517.36 sq. m (350,013.61 sq. ft.) (10%) of Hotel (495 Keys);
- 48,632.24 sq. m (523,472.57 sq. ft.) (15%) of Food & Beverage, Retail and other Ancillary Uses;
- 9,240 full time jobs

Creative Employment Blocks

4A

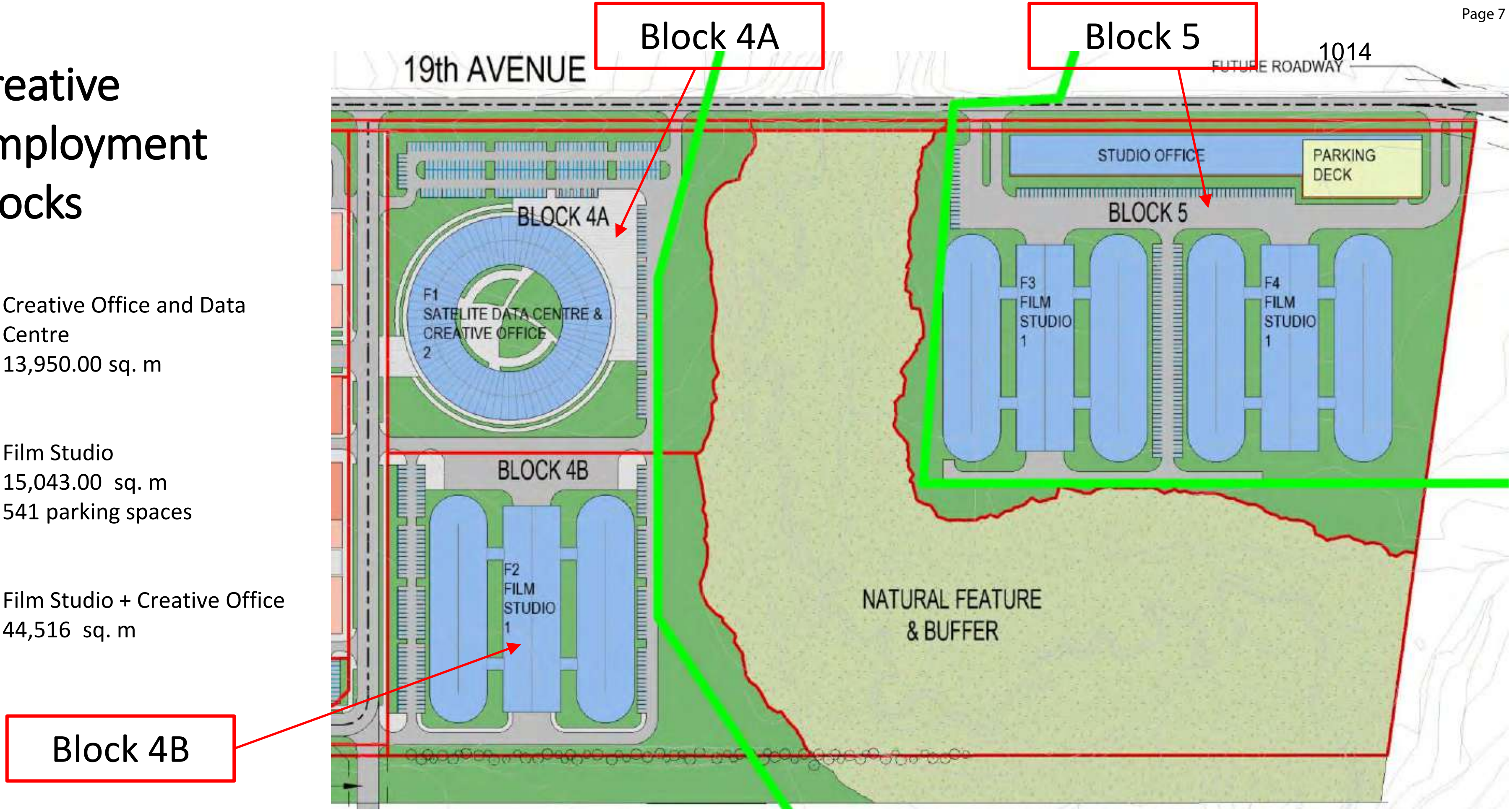
- Creative Office and Data Centre
- 13,950.00 sq. m

4B

- Film Studio
- 15,043.00 sq. m
- 541 parking spaces

5

- Film Studio + Creative Office
- 44,516 sq. m



1015

Creative Employment



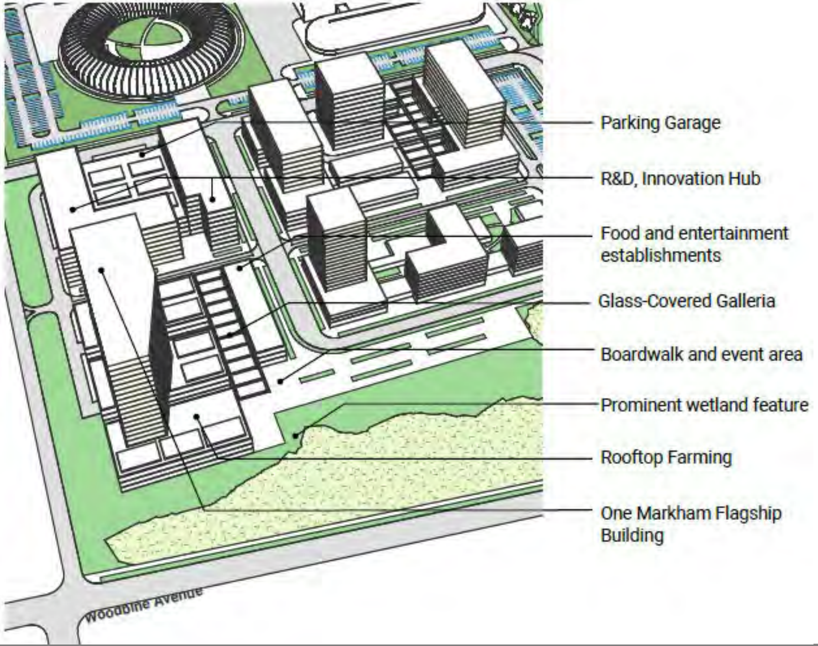

Creative Employment

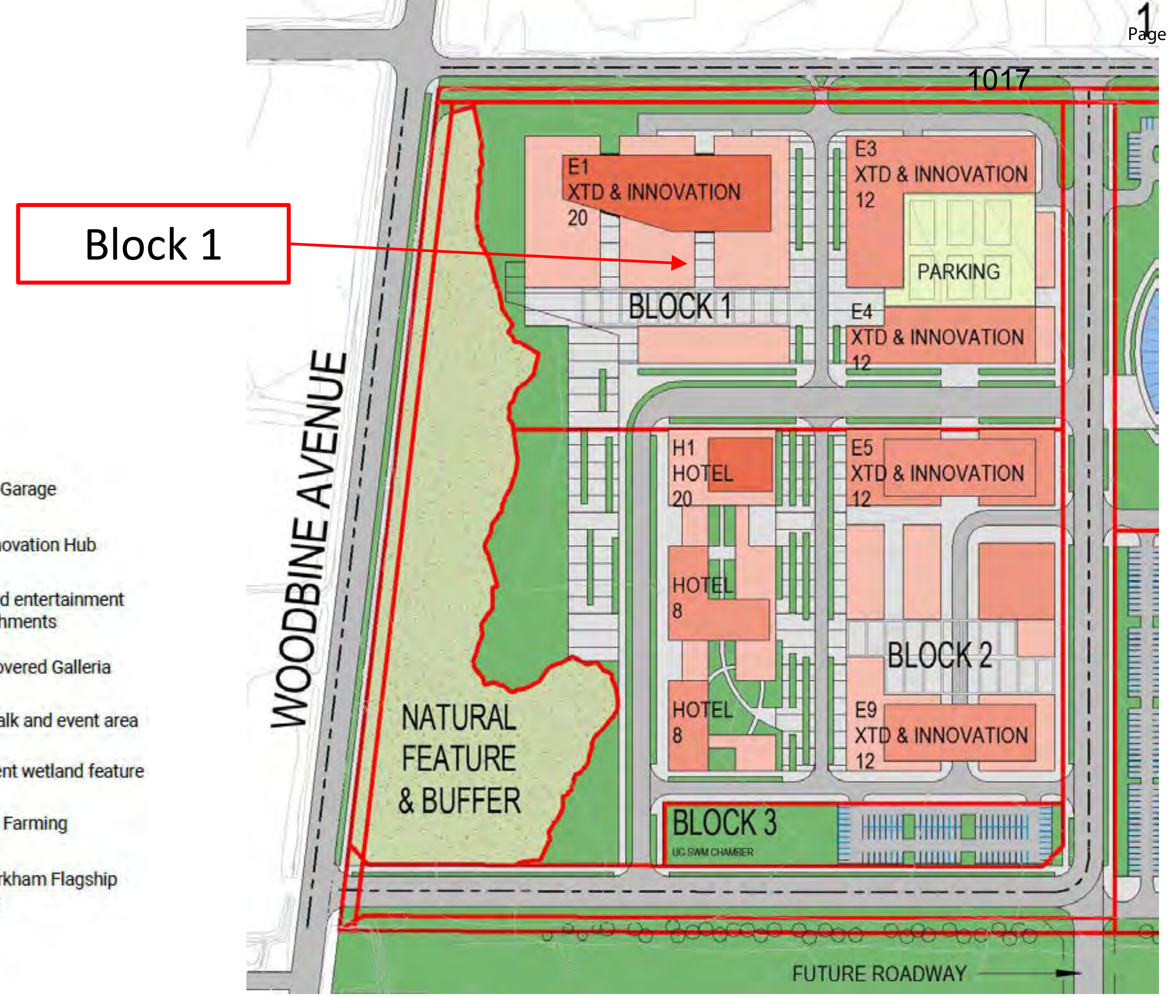





Mixed Employment Block 1

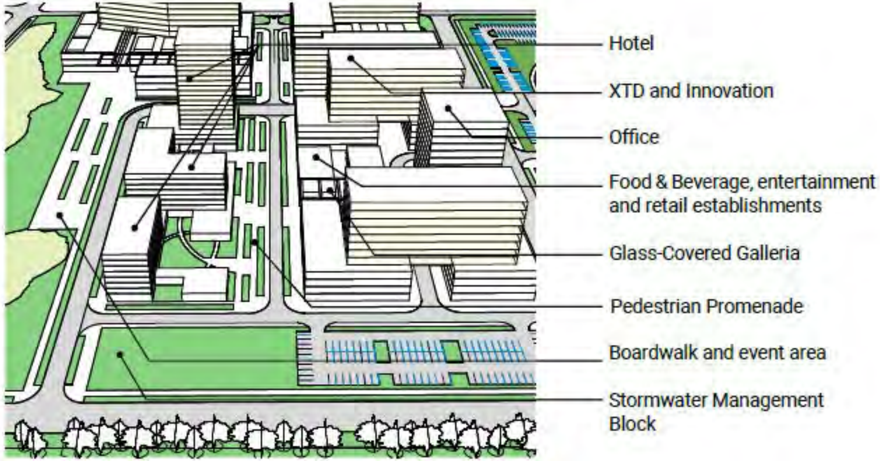
Block 1
- Office, F&B and Retail
- 144,281.25 sq. m

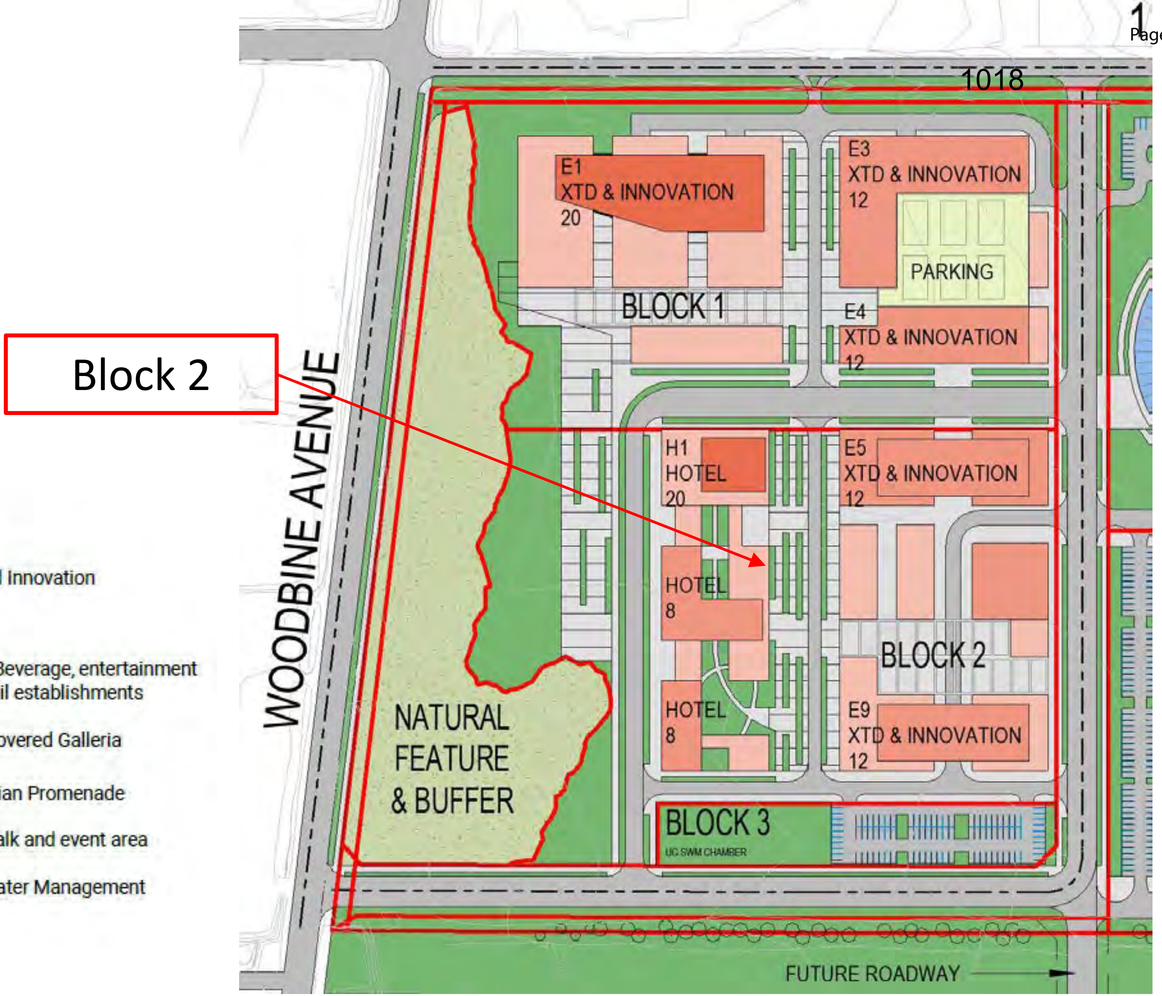




Mixed Employment Block 2

Block 2
- Office, Hotel, F&B and Retail
- 114,359.60 sq. m
- 495 Keys (hotel suites)

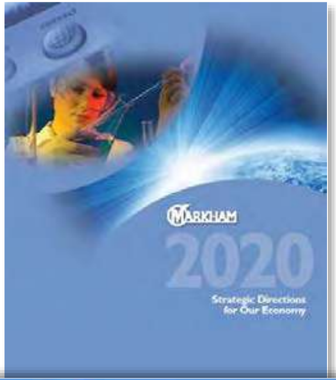




Mixed Employment Blocks - Entertainment, Hospitality and Innovation

Mixed Employment Blocks - Entertainment, Hospitality and Innovation

Supporting City Initiatives



- An employment ecosystem that adheres to direction of the Markham 2020 Economic Strategy and Update by achieving employment communities that diversify the investment base, offer room for investment and start-up businesses and tackling the affordable housing issue.
- Aligning with the Markham Mix vision by creating a knowledge-based tech hub in north Markham, helping to spur development activity in this area to ensure this vision becomes a reality.
- Offers a mix of employment opportunities for people of all ages and backgrounds that will reduce employment barriers for young adults and newcomers, meeting the Diversity Action Plan. One Markham will help to attract and retain a talented employment base regardless of income level or background.

Economic Benefits

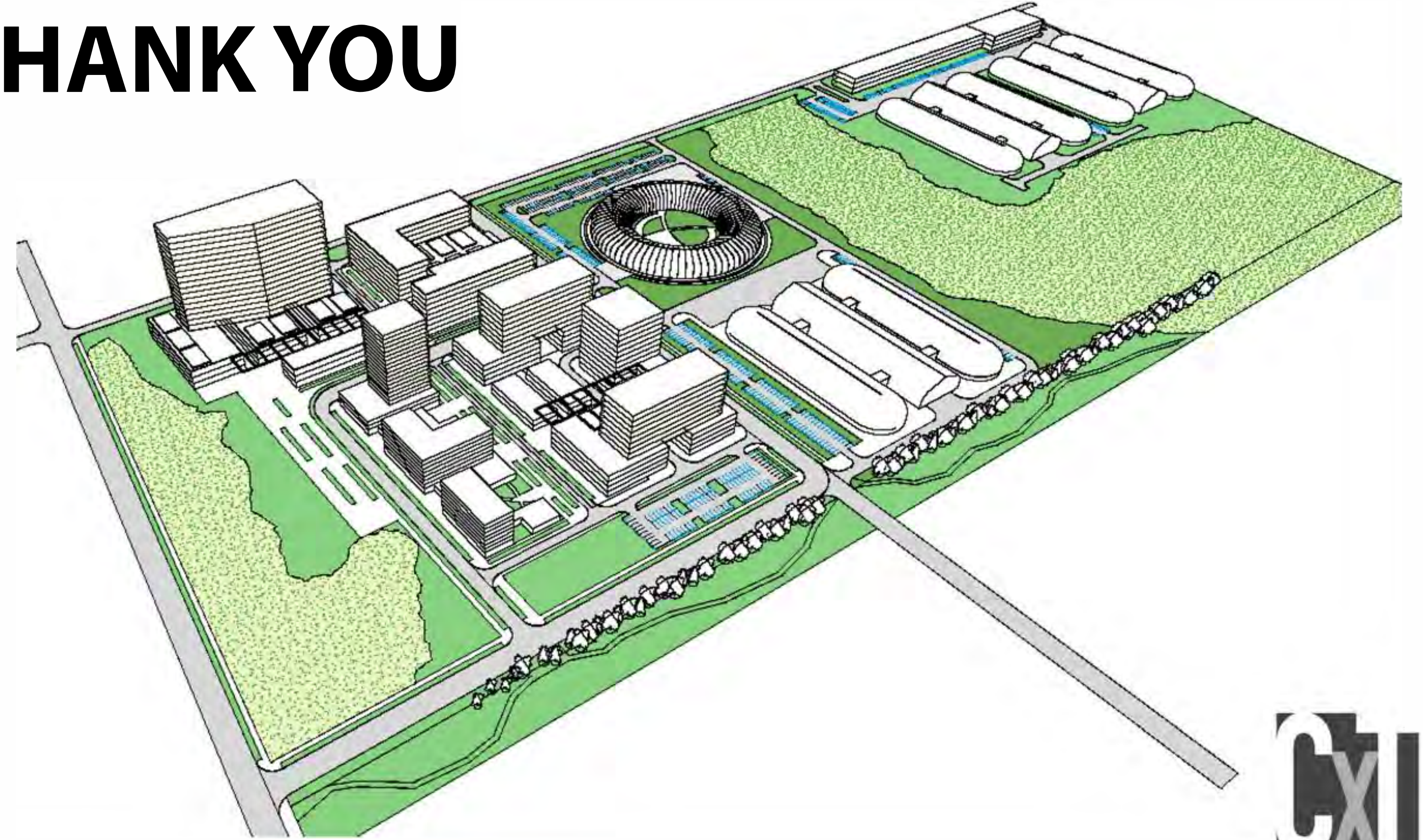
Full Time Equivalent Employment

USE	TOTAL EMPLOYMENT
BLOCKS 1 & 2 (8,040)	
Ancillary employment uses, such as retail / food & beverage / entertainment	1,180
Office	6,610
Hotel	250
BLOCK 4A, 4B & 5 (1,200)	
Film Studios / Creative Office / Data Centre	1,200
TOTAL	**9,240**

- +/- $1.9 Billion total one-time capital investment in new building construction (including both hard and soft development components);
- +/- $1.8 Billion in value added to the economy (GDP impacts) at the Provincial level;
- +/- 7,300 direct full-time equivalent employment positions supported in the planning / design / construction phases of development (more than 15,100 full-time equivalent employment supported across Ontario if including direct, indirect and induced components);
- +/- $740 Million in government revenues at all levels of government, for which more than one quarter (27%) will accrue directly to the City of Markham and approximately one third (32%) will flow to the Province of Ontario.

urbanMetrics inc.

THANK YOU



SOW Capital Ltd.

CXT Architects Inc.

MHBC PLANNING URBAN DESIGN & LANDSCAPE ARCHITECTURE

This is Exhibit "L" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

David Z. Seifer

From: Amandeep Sidhu <asidhu@kmblaw.com>
Sent: Thursday, September 21, 2023 4:06 PM
To: Lisa S. Corne
Cc: David Z. Seifer; David P. Preger; Janet C. Nairne; Jennifer S. Samuels; Harjaap Sahota; Bota McNamara
Subject: RE: EXTERNAL: RE: Romspen Investment Corporation v. Tung Kee Investment Canada Ltd. and Tung Kee Investment Limited Partnership (collectively, "Tung Kee")

Categories: Filed to ND
FilingIndicator: -1

Hi Lisa:

I just got off the phone with Robert Kligerman (purchaser's solicitor). I have conveyed your request to him. He directed me to this website Lee Li Holdings – A leading multinational company based in Canada and said that's who the purchaser is.

I don't know if he will give me the evidence you have requested but he did mention that the purchaser does not require financing for the purchase.

AMANDEEP SIDHU J.D. Certified Specialist (Civil Litigation)
Partner | Commercial Litigation
905.276.0401 | asidhu@kmblaw.com
Mississauga Office: 900 - 3 Robert Speck Parkway, Mississauga, ON L4Z 2G5
Burlington Office: 400 - 3115 Harvester Road, Burlington, ON L7N 3N8
Markham Office: 400 - 85 Enterprise Blvd, Markham, ON, L6G 0B5

https://www.linkedin.com/in/amandeep-sidhu-84a53413/

From: Lisa S. Corne <LCorne@dickinson-wright.com>
Sent: Thursday, September 21, 2023 2:45 PM
To: Amandeep Sidhu <asidhu@kmblaw.com>
Cc: David Z. Seifer <DSeifer@dickinson-wright.com>; David P. Preger <DPreger@dickinson-wright.com>; Janet C. Nairne <JNairne@dickinson-wright.com>; Jennifer S. Samuels <JSamuels@dickinson-wright.com>; Harjaap Sahota <hsahota@kmblaw.com>; Bota McNamara <bmcnamara@kmblaw.com>
Subject: RE: EXTERNAL: RE: Romspen Investment Corporation v. Tung Kee Investment Canada Ltd. and Tung Kee Investment Limited Partnership (collectively, "Tung Kee")

Thank you Amandeep,

Please request that the purchaser provide evidence that it has the financial resources or financing arranged to complete the purchase on November 30.

Lisa S. Corne

Lisa S. Corne Partner

199 Bay Street
Suite 2200
Commerce Court West
Toronto ON M5L 1G4

Phone 416-646-4608
Fax 844-670-6009
Email LCorne@dickinsonwright.com

Profile V-Card

DICKINSON WRIGHT LLP
ARIZONA CALIFORNIA COLORADO FLORIDA ILLINOIS KENTUCKY MICHIGAN NEVADA OHIO TENNESSEE TEXAS WASHINGTON D.C. TORONTO

From: Amandeep Sidhu <asidhu@kmblaw.com>
Sent: Thursday, September 21, 2023 10:17 AM
To: Lisa S. Corne <LCorne@dickinson-wright.com>
Cc: David Z. Seifer <DSeifer@dickinson-wright.com>; David P. Preger <DPreger@dickinson-wright.com>; Janet C. Nairne <JNairne@dickinson-wright.com>; Jennifer S. Samuels <JSamuels@dickinson-wright.com>; Harjaap Sahota <hsahota@kmblaw.com>; Bota McNamara <bmcnamara@kmblaw.com>
Subject: EXTERNAL: RE: Romspen Investment Corporation v. Tung Kee Investment Canada Ltd. and Tung Kee Investment Limited Partnership (collectively, "Tung Kee")

Hi Lisa:

Sorry I was out of the office yesterday. Please see below in red

KMB LAW

AMANDEEP SIDHU J.D. Certified Specialist (Civil Litigation)
Partner | Commercial Litigation
905.276.0401 | asidhu@kmblaw.com

Mississauga Office: 900 - 3 Robert Speck Parkway, Mississauga, ON L4Z 2G5

Burlington Office: 400 - 3115 Harvester Road, Burlington, ON L7N 3N8

Markham Office:400 - 85 Enterprise Blvd, Markham, ON, L6G 0B5

https://www.linkedin.com/in/amandeep-sidhu-84a53413/

From: Lisa S. Corne <LCorne@dickinson-wright.com>
Sent: Wednesday, September 20, 2023 10:10 AM
To: Amandeep Sidhu <asidhu@kmblaw.com>
Cc: David Z. Seifer <DSeifer@dickinson-wright.com>; David P. Preger <DPreger@dickinson-wright.com>; Janet C. Nairne <JNairne@dickinson-wright.com>; Jennifer S. Samuels <JSamuels@dickinson-wright.com>
Subject: Romspen Investment Corporation v. Tung Kee Investment Canada Ltd. and Tung Kee Investment Limited Partnership (collectively, "Tung Kee")
Importance: High

Good morning Amandeep,

Further to your correspondence with David Preger regarding the above matter, please provide us with the following information in relation to the agreement of purchase and sale entered into by Sow Capital for the sale of the property known as 3143 19th Avenue pursuant to the power of sale under its mortgage:

1. Name and beneficial ownership of the purchaser; We pulled a corporate profile report for the numbered company purchaser. It looks like they are related to Lee Li group in Mississauga. The purchaser and Lee Li have similar directors and the same registered head office.

2. Whether the purchaser is related to Sow Capital or Tung Kee; No relationship

3. Evidence that the purchaser has the financial resources or has arranged sufficient financing to complete the transaction contemplated under the agreement. This would be out of my knowledge. I would not be able to answer this question. They have given a $3 million deposit which we have in our firm's trust account.

I would appreciate receipt of the information requested above at your earliest opportunity.

Thank you .
Lisa S. Corne

Lisa S. Corne Partner

199 Bay Street
Suite 2200
Commerce Court West
Toronto ON M5L 1G4
Profile V-Card

Phone 416-646-4608
Fax 844-670-6009
Email LCorne@dickinsonwright.com

DICKINSON WRIGHT LLP
ARIZONA CALIFORNIA COLORADO FLORIDA ILLINOIS KENTUCKY MICHIGAN NEVADA OHIO TENNESSEE TEXAS WASHINGTON D.C. TORONTO

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential and may be privileged. If you are not the intended recipient you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of this message and any attachments is strictly prohibited. If you are not the intended recipient please notify the sender immediately by return e-mail and delete this message and any attachments from your system.

Information confidentielle : Le présent message, ainsi que tout fichier qui y est joint, est envoyé à l'intention exclusive de son ou de ses destinataires; il est de

This is Exhibit "M" referred to in the Affidavit of Wesley Roitman sworn by Wesley Roitman at the City of Toronto, in the Province of Ontario, before me on September 29, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits (or as may be)

1030

3:47 LTE

4

+1 (416) 662-8638

iMessage
Tue, Jun 20 at 7:53 PM

Hello Hunter,
Thanks for your call. Myself and Frank are not able to answer at the moment however Frank will call you shortly.
For reference, his number is
416-254-2121

Thanks, Laura

Thanks

Most welcome

Tue, Jun 20 at 9:55 PM

Hello Hunter, I understand you spoke with Frank.
Please email us your Offer to me at:

lauracormaggi@royallepage.ca

Thanks, look forward to hearing from you.
Laura

Wed, Jun 21 at 8:46 PM

Hello Hunter, it's Laura Cormaggi regarding 3143 19th Avenue.

iMessage

Cash

1031

3:48 LTE

4

+1 (416) 662-8638

Wed, Jun 21 at 8:46 PM

Hello Hunter, it's Laura Cormaggi regarding 3143 19th Avenue.

Hoping you can please giving me a quick call when you have a moment.

Look forward to hearing from you.
Regards, Laura

Thu, Jun 22 at 4:58 PM

Hi Laura,

Thank you for following up.

I would like to meet with you to discuss further details regarding the listing property.

Please advise when is best.

Thanks

Hunter

Hello Hunter,

Thanks for your text message. I'll call you today so we can have a quick conversation and then discuss next

iMessage

Cash

1032

3:48 LTE

4

+1 (416) 662-8638

Thu, Jun 22 at 4:58 PM

Hi Laura,

Thank you for following up.

I would like to meet with you to discuss further details regarding the listing property.

Please advise when is best.

Thanks

Hunter

Hello Hunter,

Thanks for your text message. I'll call you today so we can have a quick conversation and then discuss next steps.

Trust this is ok.
I'll be in touch, Laura

Thu, Jun 22 at 9:33 PM

Hello Hunter, I tried calling you.. please call me when you have a moment.

Thanks, Laura

iMessage

1033

3:50 LTE

4

+1 (416) 662-8638

Tue, Jul 4 at 3:49 PM

Good morning Hunter,

Hope and trust all is well and that you enjoyed the long weekend.

I am following up on our previous text messages and your phone voice message regarding 3143 19th Avenue, hoping you can provide an update on your client's interest to proceed forward.

Please know there is no Offer submission date and Offers can be submitted anytime to my/this email address.

Reach out with any questions to Frank 416-254-2121.

Regardless, we look forward to hearing from you.

Please be in touch.
Thank you, Laura

Wed, Jul 5 at 4:39 PM

Good morning Hunter, I have left you a voice message. Please kindly give either myself or my husband Frank a

iMessage

3:50 LTE

1034

+1 (416) 662-8638

Wed, Jul 5 at 4:39 PM

Good morning Hunter, I have left you a voice message. Please kindly give either myself or my husband Frank a call back to further discuss. Frank's number is 416-254-2121. Truly hope to hear from you, Laura.

Thu, Jul 13 at 2:55 PM

Good morning Hunter,

Hope this message finds you well.

We wanted to keep you apprised of new updates pertaining to 3143 19th Avenue, Markham. See below. Should you have any questions please reach out to either myself or Frank 416-254-2121.

Should you/your client be interested to submit an Offer, please let us know at your earliest opportunity.

Please know that we have received 1 registered Offer and also 1 Letter Of Intention. Romspen will review these accordingly.

Of note, the Offer received is from an agent at our Brokerage, Royal LePage

iMessage

1035

3:51 LTE

6

+1 (416) 662-8638

Thu, Jul 13 at 2:55 PM

Good morning Hunter,

Hope this message finds you well.

We wanted to keep you apprised of new updates pertaining to 3143 19th Avenue, Markham. See below. Should you have any questions please reach out to either myself or Frank 416-254-2121.

Should you/your client be interested to submit an Offer, please let us know at your earliest opportunity.

Please know that we have received 1 registered Offer and also 1 Letter Of Intention. Romspen will review these accordingly.

Of note, the Offer received is from an agent at our Brokerage, Royal LePage Your Community Realty.
Please know that Royal LePage Your Community Realty is now in Multiple Representation, representing both Seller and Purchaser.

This is NOT our/Listing Agent's Buyer

iMessage

1036

3:51 LTE

6

+1 (416) 662-8638

new updates pertaining to 3143 19th Avenue, Markham. See below. Should you have any questions please reach out to either myself or Frank 416-254-2121.

Should you/your client be interested to submit an Offer, please let us know at your earliest opportunity.

Please know that we have received 1 registered Offer and also 1 Letter Of Intention. Romspen will review these accordingly.

Of note, the Offer received is from an agent at our Brokerage, Royal LePage Your Community Realty.
Please know that Royal LePage Your Community Realty is now in Multiple Representation, representing both Seller and Purchaser.

This is NOT our/Listing Agent's Buyer

Truly hope to hear from you.

Regards, Laura Cormaggi

Read

iMessage

Appendix “G”

Court File No. CV-23-00703161-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

ROMSPEN INVESTMENT CORPORATION

Applicant

- and -

TUNG KEE INVESTMENT CANADA LTD. and TUNG KEE INVESTMENT LIMITED PARTNERSHIP

Respondents

AFFIDAVIT OF PUI LING LAI

I, **Pui Ling Lai**, of the Town of Aurora in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am a director of Tung Kee Investment Canada Ltd. ("**Tung Kee**"), general partner of Tung Kee Investment Limited Partnership ("**Tung Kee LP**", and together with Tung Kee, the "**Respondents**"). The facts in this affidavit are based on my personal knowledge or determined from the face of the documents attached hereto as exhibits and from information and advice provided to me by others. When matters set out below are based upon information and advice from others, I have identified the sources of the information and advice and I believe it to be true.

2. This affidavit is sworn in response to:

(a) the application to appoint Ernst & Young Inc. as receiver over the property, assets and undertakings of the Respondents (the "**Receiver**"), including, the real property owned by the Respondents municipally known as 3143 19th Avenue, Markham Ontario (the "**Real Property**") by Romspen Investment Corporation ("**Romspen**");

(b) Romspen's motion for an order approving the agreement of purchase and sale between Rompsen and Times 1010 Inc. dated September 15, 2023 (the "**Romspen APS**"); and

(c) the motion by Sow Capital Ontario Limited ("**Sow**") for an order permitting the completion of the sale of the Real Property by Sow under power of sale to 2816513 Ontario Inc. (the "**Sow APS**").

3. For the reasons set out below, the Respondents oppose the proposed sale transactions put forward by Romspen and Sow. Both transactions are well below the appraised value of the Real Property and should not be allowed to proceed. In particular, the Respondents oppose Romspen's request for an approval and vesting order in what is essentially a power of sale proceeding. Such relief is not appropriate in the circumstances and represents nothing more than Romspen's attempt to restrict the Respondents' from pursuing their claim for an improvident sale, a remedy that they are entitled to avail themselves of under a power of sale proceeding.

4. The Respondents do not oppose the appointment of the Receiver for the purpose of marketing the Real Property for sale in a court supervised process. The Respondents agree

with the following statements made by Wesley Roitman, Romspen's representative, in his Affidavit sworn on July 19, 2023 (the "**Receivership Affidavit**") in support of this receivership application: "a Court-appointed receiver will ensure that the interests of all of the Debtors' stakeholders are considered and facilitate a fair and transparent marketing and sale process for achieving a definitive disposition of the Property".

5. Both of the agreements of purchase and sale put forward by Sow and Romspen are for amounts that are in excess of the amounts owing to all of the parties with a registered mortgage against the Real Property. The only parties prejudiced by allowing one of these two transactions to proceed are the Respondents whose land is being sold off for a fraction of its value. Accordingly, there is no risk to the mortgagees, including Sow and Romspen in allowing a Court-appointed receiver to market and sell the Real Property in a court supervised process for the benefit of all stakeholders.

Romspen Power of Sale Proceedings

6. The Respondents are owners of the Real Property. The Respondents are in the process of developing approximately 4.5 million square feet of the property for mixed uses including hotel, a film studio, a convention and exhibition centre, office, retail and services apartments. In April 2022, the Real Property was subdivided into three parcels.

7. In January 2019, the Respondents retained Cushman & Wakefield to provide an appraisal of the Real Property. A copy of Cushman & Wakefield's 2019 appraisal is attached hereto as **Exhibit "A"**.

8. The 2019 appraisal valued the Real Property at $146 million subject to the following assumptions:

(a) The subject proposed mixed-use development will obtain municipal approval and market conditions remain stable from the effective date of valuation to the approval date of the development.

(b) The projected potential buildable gross floor area of approximately 4,500,000 square feet is achievable and will be developed in four stages over 15 years for the purpose of this appraisal.

(c) The property will be physically and technically viable for the proposed development, and additional costs of site assessment and infrastructure provision will be required.

9. Assumptions one and two have now been satisfied and municipal approvals have been obtained. The development has the support of the Town of Markham which is currently working on infrastructure in the area where the Real Property is located. In 2021, the Respondents were successful in obtaining a Municipal Zoning Order from the City of Markham (the "**Zoning Order**").

10. The Respondents were diligently working to refinance the mortgages registered against the Real Property or to sell one or two of the parcels to pay out the lenders in full. When a sale of one of the parcels negotiated by the Respondents fell apart due to the purchaser's financing issues, Romspen, which holds the first mortgage against the Real Property, commenced power of sale proceedings.

11. The Respondents provided Romspen with a copy of their 2019 appraisal. Notwithstanding this, Romspen listed the Real Property for sale at a purchase price of $69,750,000, which is substantially below the market value of this property. As a consequence of Romspen's power of sale proceeding and the low listing price in particular, the Respondents have been unable to market or refinance the Real Property since the power of sale proceeding was commenced.

Sow Power of Sale Proceeding

12. Sow holds a fifth mortgage against the Real Property in the principal amount of $20 million.

13. Philip Wong, who is the principal of Sow, was a business partner of the Respondents. Mr. Wong was involved in both assisting the Respondents with their City of Markham applications, communicating with potential purchasers and Romspen. As part of Mr. Wong's involvement with the development of the Real Property he was well apprised of all of the municipal approvals obtained by the Respondents, including the Zoning Order.

14. On or around June 2023, the Respondents and Mr. Wong had a falling out. The Respondents have not had any business or personal dealings with Mr. Wong or Sow since then. Contrary to the bald allegations in Romspen's court materials, the Respondents and Sow are not related parties and are arm's length to each other.

15. On May 17, 2023, Sow served its Notice of Sale under its fifth mortgage. Sow then proceeded to market the Real Property for sale privately, without notice to the Respondents or Romspen.

16. On or around July 17, 2023, Sow entered into the Sow APS. Sow relies on two appraisals that it obtained in support of this transaction. I have reviewed these appraisals and note that the appraisals do not take into account the current status of the Real Property development, including the Zoning Order. Immediate private servicing solutions are available to accommodate immediate development of the Real Property in accordance with the Zoning Order, subject to site plan applications, which will shorten the estimated development time by 8 to 10 years. Furthermore, Sow's appraisals are improperly based on comparables to sales of unserviced lands and lands that have inferior street front exposure.

17. As a consequence, Sow's appraisals do not reflect the true value of the Real Property as at today's date. Mr. Wong knew or ought to have known that the appraisals obtained by Sow do not reflect the true value of the Real Property.

18. Sow has not demonstrated that it has sufficiently exposed the Real Property to market or that the Sow APS represents the best and highest value for the Real Property. I have reviewed Sow's motion materials and note that the Real Property was marketed by Sow to a close small group of Sow's private clients only. Sow did not retain industry recognized commercial realtors and did not demonstrate that it has the necessary commercial real estate experience to market this property for sale.

19. In response to Romspen's receivership application, Sow served and filed a copy of the Sow APS and its appraisals with the Court, thereby disclosing the purchase price to the marketplace. By its actions, Sow has now substantially impacted the ability of any of the mortgagees, and the Respondents, to market the Real Property for sale.

Romspen's APS

20. In the Receivership Affidavit, Mr. Roitman stated as follows: "although the Property continues to be listed for sale by Romspen, given the current economic climate of high interest rates and real estate market illiquidity, a Court supervised marketing and sale process is likely to be a better approach to achieving a definitive sale than a power of sale process, in which buyers may be inclined to try and leverage price reductions before waiving conditions."

21. The Romspen APS is not a reflection of a fulsome marketing process or a representation of the best and highest price of the Real Property. Rather, it is a poorly disguised rushed attempt by a potential purchaser to take advantage of and leverage Sow's disclosure at the expense of the Respondents' equity. The Respondents' position is further confirmed by the fact that the Romspen APS was received after Sow publicly disclosed the purchase price under the Sow APS.

22. In its report to the Court, the proposed Receiver opines that the Romspen APS will be sufficient to pay out the first four mortgagees in full but not sufficient to fully pay out Sow. This position is puzzling since Sow's counsel has advised that the purchase price under the Sow APS will be sufficient to pay out all creditors in full, including Sow and to leave money available for the equity holders. Since the proposed Receiver did not obtain payout statements from the mortagees, it is not clear where the Receiver is getting its information.

Current Property Appraisal

23. On September 27, 2023, the Respondents obtained an updated Appraisal for the Real Property, a copy of which is attached hereto as **Exhibit "B"**. As set out in greater detail in the updated appraisal, the current appraised value of the Real Property is between $130 million and $141.9 million. The appraisal further discloses that the sale of one or two of the land parcels (depending on the parcel selected) would be sufficient to pay out of all the mortgages registered against the Real Property in full.

24. As demonstrated by the purchase price in the agreements of purchase and sale entered into by Romspen and Sow in the last two months and the Respondents' appraisal:

(a) there is sufficient equity in the Real Property to pay out all of the mortgages registered against the Real Property in full; and

(b) there is sufficient demand for the Real Property at purchase prices that are sufficient to pay out the claims of all mortgagees in full.

25. The Respondents are the only fulcrum stakeholders in the Real Property Accordingly, there is no prejudice to any of the mortgagees, including Romspen and Sow, to allow the Receiver to properly market and sell the Real Property in a court supervised process.

26. There has been an increase in in market's interest in the Real Property as evidenced by the Sow APS and the Romspen APS. In addition, in the last month, the Respondents have been approached and have been working with three separate investor groups all of whom have expressed an interest in this property but a reluctance to move to the due diligence phase in the face of the Sow APS and the upcoming receivership hearing.

SWORN BEFORE ME over videoconference on this 5th day of October, 2023. The affiant was located in City of Richmond Hill, Province of Ontario and the Commissioner was located in the City of Toronto, Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits
(or as may be)

PUI LING LAI

THIS IS EXHIBIT "A" TO THE AFFIDAVIT OF PUI LING LAI SWORN BEFORE ME THIS 5TH DAY OF OCTOBER, 2023

A Commissioner Etc.

CUSHMAN & WAKEFIELD

APPRAISAL OF REAL PROPERTY

3143 Nineteenth Avenue
Markham, Ontario

NARRATIVE APPRAISAL REPORT
As of December 1, 2018

Prepared for:

Atlantic (HS) Financial Corporation
80 Acadia Avenue, Unit 211
Markham, ON L3R 9V1

Prepared by:

Cushman & Wakefield ULC
Valuation & Advisory
161 Bay Street, Suite 1500
P.O. Box 602
Toronto, ON M5J 2S1
C&W File ID: 19-445-900056

CUSHMAN & WAKEFIELD
161 BAY STREET, SUITE 1500
P.O. BOX 602
TORONTO, ON M5J 2S1

Proposed Mixed-Use Development Land

3143 Nineteenth Avenue
Markham, Ontario

Cushman & Wakefield ULC
161 Bay Street, Suite 1500
P.O. Box 602
Toronto, ON M5J 2S1
(416) 862 0611 Tel
(416) 359 2602 Fax
www.cushmanwakefield.com

January 22, 2019

Mr. Frank Pa
Atlantic (HS) Financial Corporation
80 Acadia Avenue, Unit 211
Markham, ON
L3R 9V1

Re: Narrative Appraisal Report
3143 Nineteenth Avenue
Markham, ON

C&W File ID: 19-445-900056

Dear Mr. Pa:

Cushman & Wakefield ULC is pleased to transmit this Narrative Appraisal Report, estimating the market value of approximately 99.73 acres of Future Employment Land (with projected potential buildable gross floor area of approximately 4,500,000 square feet of proposed mixed uses, including hotel, convention & exhibition centre, office, retail and serviced apartments), located at 3143 Nineteenth Avenue, City of Markham, Province of Ontario.

By agreement, this is a Narrative Appraisal Report, which contains the data, reasoning and analysis upon which our value conclusion is based. This document has been prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (The Standards) as adopted by the Appraisal Institute of Canada.

The purpose of this appraisal is to estimate the market value of the subject property for first mortgage financing purposes only, and for no other uses. The appraisal is prepared at the request and for the exclusive use Atlantic (HS) Financial Corporation. Atlantic (HS) Financial Corporation and any identified intended user(s) should consider the appraisal as only one factor together with its independent investment considerations and underwriting criteria in its overall business decision. This appraisal may not be distributed to or relied upon by other persons or entities without written permission of the Appraiser. It is not to be referred to or quoted in any prospectus for the sale or exchange of securities, and may not be reproduced, in whole or in part, without our prior written agreement.

This appraisal is subject to the Conditions of Engagement between Cushman & Wakefield ULC and Atlantic (HS) Financial Corporation, and is subject to the Assumptions and Limiting Conditions contained in Addendum C, in addition to any in the report.

Market Value

As a result of this analysis, the market value of the fee simple interest of the subject property (based on proposed mixed-use development), subject to the extraordinary assumptions, hypothetical conditions, assumptions, limiting conditions, certifications and definitions contained herein, as of December 1, 2018, was:

ONE HUNDRED FORTY SIX MILLION DOLLARS

$146,000,000

The appraisal employs the following extraordinary assumptions with hypothetical conditions:

- *The subject proposed mixed-use development will obtain municipal approval and market conditions remain stable from the effective date of valuation to the approval date of the development.*
- *The projected potential buildable gross floor area of approximately 4,500,000 square feet is achievable, and will be developed in four stages over 15 years for the purpose of this appraisal.*
- *No soil test, geotechnical study or environmental site assessment, etc. are completed for the subject property. In addition, infrastructure such as road, water, sewage, utilities, municipal services, etc. are not currently available for the proposed development. The subject property is evaluated on the assumption that it will be physically and technically viable for the proposed development, and additional costs of site assessment and infrastructure provision will be required.*
- *If the above extraordinary assumptions with hypothetical conditions are proven incorrect, there will be an impact on the estimated value and we reserve the right to re-assess the final value of the property.*

In this appraisal, the estimated value is predicated on a reasonable exposure time of nine (9) to twelve (12) months

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and Addenda.

Respectfully submitted,

CUSHMAN & WAKEFIELD ULC

Danny Ip, MRICS, AACI
Associate Vice President
Valuation & Advisory
(416) 359 2476 Direct Office
danny.ip@cushwake.com

Executive Summary

Description of Property

Location:	3143 Nineteenth Avenue, Markham, ON
Legal Description:	PT LT 30 CON 4 MARKHAM AS IN R614168 EXCEPT EXPROP PL MA49271 ; MARKHAM (PIN: 030550002)
General Description:	A parcel of "Future Employment Area" and partly "Greenway" under Markham Official Plan (Region Approved June 2014), located at the southeast corner of Woodbine Avenue and Nineteenth Avenue in the northwest section of City of Markham.
Site Area:	99.73 acres (according to Municipal Property Assessment Corporation) Approximately 70 acres (excluding land zoned Open Space) *(* The exact site measurement and the developable land area portion should be determined by professional surveying and planning consultants)*
Site Shape:	Basically rectangular
Site Frontages:	1,320 feet (approximately) on east side of Woodbine Avenue 3,280 feet (approximately) on south side of Nineteenth Avenue
Proposed Development:	The property owner advised WZMH Architect has been retained to complete a concept master plan, undertake official plan review, draft site plan, draft official plan amendment and draft zoning applications regarding the proposed development of the subject property, with the objective to achieve a density of 2.5 times. We were further advised submission to the city is expected in six to twelve months. In addition, we were advised the planning consultant Gagnon Walker Domes Ltd. had expressed a verbal indication that 2.0 times density is achievable for the subject property. *We are not qualified to determine the development potential of the subject property, which should be ascertained by architectural, planning and/or related consultants. For the purpose of this appraisal, the estimated market value of the subject property is based on projected potential buildable gross floor area of approximately 4,500,000 square feet of proposed mixed uses, including hotel, convention & exhibition centre, office, retail and serviced apartments. The proposed development is expected in stages.*

Municipal Information

Official Plan Designation:	Future Employment Area and Greenway *(The existing official plan designations are assumed to be re-designated to facilitate the proposed mixed-use development)*
Zoning:	Agricultural One (A1) and Open Space (O1) *(The existing zonings are assumed to be rezoned to facilitate the proposed mixed-use development)*
2016 Assessed Value:	$1,666,000 (Residential (RT))

Highest and Best Use

Site As Vacant:	Short to medium term land holding pending development in accordance with the applicable official plan and zoning by-law, when legally, socially, technically and economical viable.

Value Indicators

Date of Inspection:	December 1, 2018
Date of Valuation:	December 1, 2018
Direct Comparison Approach:	$146,000,000

Extraordinary Assumptions and Hypothetical Conditions

Extraordinary Assumptions

An extraordinary assumption is defined by The Standards as: *“An assumption, directly related to a specific assignment, which, if found to be false, could materially alter the opinions or conclusions.”* Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Hypothetical Conditions

A hypothetical condition is defined by The Standards as: *“That which is contrary to what exists but is supposed to exist for the purpose of analysis.”* Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

The appraisal employs the following extraordinary assumptions with hypothetical conditions:

- *The subject proposed mixed-use development will obtain municipal approval and market conditions remain stable from the effective date of valuation to the approval date of the development.*
- *The projected potential buildable gross floor area of approximately 4,500,000 square feet is achievable, and will be developed in four stages over 15 years for the purpose of this appraisal.*
- *No soil test, geotechnical study or environmental site assessment, etc. are completed for the subject property. In addition, infrastructure such as road, water, sewage, utilities, municipal services, etc. are not currently available for the proposed development. The subject property is evaluated on the assumption that it will be physically and technically viable for the proposed development, and additional costs of site assessment and infrastructure provision will be required.*
- *If the above extraordinary assumptions with hypothetical conditions are proven incorrect, there will be an impact on the estimated value and we reserve the right to re-assess the final value of the property.*

Property Photographs

View from Woodbine Avenue (looking east)

View from Nineteenth Avenue (looking south)

Woodbine Avenue (looking south)

Woodbine Avenue (looking north)

Nineteenth Avenue (looking west)

Nineteenth Avenue (looking east)

Table of Contents

Introduction

Identification of Property

Location:	3143 Nineteenth Avenue, Markham, ON
Legal Description:	PT LT 30 CON 4 MARKHAM AS IN R614168 EXCEPT EXPROP PL MA49271 ; MARKHAM (PIN: 030550002)

Property Ownership and Recent History

Current Ownership:	Tung Kee Investment Canada Ltd.
Sale History:	According to Geowarehouse.ca, the subject property was transferred from Tung Kee Investment Limited Partnership to the current owner at $0 on March 7, 2011. The property had not changed hands in the past three years of the effective date of this appraisal.
Current Disposition:	To the best of our knowledge, the subject property is not under current agreement or option, and is not offered for sale on the open market.

Intended Use and Users of the Appraisal

Intended Use:	This appraisal is intended to provide an opinion of the Market Value of the fee simple interest in the property (based on proposed mixed-use development with projected potential buildable gross floor area of approximately 4,500,000 square feet) for first mortgage financing purposes only, and for no other uses. All other uses are unintended, unless specifically stated in the letter of transmittal.
Intended User:	This appraisal report is prepared at the request and for the exclusive use of Atlantic (HS) Financial Corporation. All other users are unintended, unless specifically stated in the letter of transmittal.

Dates of Inspection and Valuation

Date of Inspection:	December 1, 2018
Date of Valuation:	December 1, 2018

Scope of the Appraisal

In forming our opinion as to the value of the subject as of the valuation date, we have relied on information which is detailed in this report, to the extent deemed appropriate, and carried out the following specific functions:

- Made an inspection of the property from roadside on December 1, 2018. The term "inspection" refers to observation and reporting of the general conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only;
- Held discussion with Mr. Tony Yung (representative of the property owner);
- Reviewed information of the subject proposed development, as provided by the owner;
- Examined market conditions and analyzed their potential effect on the property;
- Reviewed land use regulations, in particular the Official Plan, as amended, and the Zoning By-Law, as amended, applicable to the subject;
- Ascertained the highest and best use of the property;
- Considered information with respect to sales and listings, at or about the valuation date, of properties considered similar to the subject, where we have significant knowledge of such sales and listings to assess them as being relevant to our opinion, as set out herein. While we believe our review to be reasonably complete, we cannot warrant that we have:
    - Uncovered and assessed every real property transaction at or about the valuation date that might be said to bear on the determination of the market value of the subject; and
    - Fully discerned the motives behind the sales and listings information considered in our analysis, such that our weighting of said information is without subjectivity.
- The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable, including but not limited to GeoWarehouse, MPAC Propertyline, RealNet, The Marsh Report and RealTrack. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.
- After analyzing the data, we have estimated the property's market value using the Direct Comparison Approach.

Location Overview

Regional Economic Overview

The subject property is located in City of Markham within Toronto Census Metropolitan Area (CMA), in Southern Ontario. Ontario is the most populous province in Canada, with a population of 14.2 million in 2017 (according to Statistics Canada) and accounting for roughly 38.5 percent of the national total. While approximately 77.0 percent of Ontario's GDP is generated by service sectors, the province is also Canada's leading manufacturing centre.

According to *TD Bank Provincial Economic Forecast (Date Published: December 13, 2018),* real GDP growth in Ontario rebounded to above 3% annualized in the second quarter. This will likely prove to be the high water mark for the year, as various household and business spending indicators have since returned to more normal levels, leaving the economy on track for a moderate 2.2% gain for the full year. A further moderate deceleration is projected in 2019 and 2020, bringing the economy more in line with its longer-term running speed.

Despite easing to back to its potential rate, the economy has been adding jobs at a healthy clip this year. Meanwhile, wage growth has lost steam. Look for the job and wage trends to reverse in 2019, with the former expected to cool with the latter likely to rebound given labour market tightness. Consumer spending is still expected to ease a notch, as higher interest rates eat into disposable incomes.

The closure of the GM plant in Oshawa will deal an economic blow, shaving a total of 0.3 percentage points from real GDP growth over 2019-2020. Still, some (cold) comfort can be found in the fact that the plant comprised a small portion (about 5%) of overall auto production. Total assemblies are still set to drop by about 4% next year, with knock-on effects to the parts sector.

More broadly, the new USCMA trade pact should be supportive for business confidence while not being overly disruptive to Ontario's export sector. However, there is some lingering uncertainty on this front, as the agreement has yet to be ratified. While exports outside of the auto sector are likely to keep expanding, prospects for a slowing US economy will likely cut into gains relative to this year.

Home sales hit a speed bump after their initial post B-20 bounce, dropping in September and October (with early indications pointing to another weak month in November). Zooming further out, policy actions and rising rates have cooled activity, particularly in the GTA, since early 2017. However, markets outside of Toronto are tighter, which should help drive positive price growth going forward.

In the fall fiscal update, the government confirmed it will roll out tax relief for low income earners, and announced their intention to parallel federal measures towards full expensing. The government appears intent on reducing the province's sizeable $15 billion deficit, though tough decisions will be required in order to achieve this goal.

Ontario Economic Forecasts [Annual average % change, unless otherwise noted]			
	2018	2019	2020
Real GDP	2.2	1.8	1.7
Nominal GDP	4.1	3.8	3.6
Employment	1.5	1.0	0.6
Unemployment Rate (%)	5.6	5.6	5.6
Housing Starts (000's)	79.3	76.5	74.9
Existing Home Prices	-1.9	4.8	2.5
Home Sales	-14.0	5.4	0.8
Source: Statistics Canada, CMHC, CREA, forecast by TD Economics			

Chart 1: Jobs Being Added at a Healthy Rate in Quebec

Chart 2: Homebuilding Coming Off the Boil in Quebec

Toronto CMA covers an area of 2,090 square miles in the south central section of the Province of Ontario. The Toronto region has a population of over 6,100,000, with income per capita above national average. With its high concentration of economic activity and population, Toronto CMA has maintained its position as Canada's financial centre and economic engine. The City of Toronto is the financial and investment capital of Canada. It is home to the Toronto Stock Exchange - the largest stock exchange in Canada, the third largest in North America and the seventh largest in the world by market capitalization. The city boasts 82 companies with over $1 billion annual revenue each, including all of Canada's "Big Five" banks, Canadian headquarters of two of the world's largest banks, and six of Canada's top insurers. It generates almost half of Ontario's GDP and 20% of Canada's GDP. It contributes more to the country than New York or London do for the U.S. or England.

In light of the prevailing social and economic attributes of the Toronto CMA, economists are generally optimistic about the short-term outlook. The Toronto region attracts roughly 100,000 new arrivals annually, supporting growth in domestic demand. In the long-term, the region should see stability and continuous moderate growth, with overall increasing real estate value.

ECONOMIC OVERVIEW

Markham and the North American Market

Markham and the Greater Toronto Area

Expanding business base. Motivated, highly educated workforce. Affluent, diverse population. By every measure, Canada's high-tech capital – and 16th largest municipality – is thriving.

The award-winning City of Markham is the largest of nine communities in York Region, with a population of over **355,000** and a land area of **212 square kilometres.**

355,000

10,680

210+

1,000+

Markham is a leader in attracting foreign direct investment. Of the **10,680 companies in Markham**, there are more than 210 foreign companies located here, employing more than **28,000 people**. Leading innovators in Markham include: IBM, Aviva Insurance, AMD, GM Canada Technical Centre, Bank of China, GE Digital Energy, Honeywell, Huawei Technologies, Lenovo, Johnson & Johnson, Toshiba, Honda and Hyundai.

172,400

38,000

Markham has the highest concentration of ICT employers per capita in Canada. Over **1,000 technology and life sciences companies** are based in Markham. These two sectors alone **employ 38,000** people – over one-fifth of the total workforce **of 172,400.**

Strategies for Growth

Markham is maintaining its economic momentum by following its 10-year economic strategy, Markham 2020. In targeting specific growth sectors, the City continues to attract companies specializing in ICT, life sciences, financial services, design and engineering, professional scientific services, and information and cultural industries. Here, businesses find skilled workers from around the world who are drawn to Markham for its exceptional quality of life (see page 8).

Internationally, the City's profile has benefited from several economic alliances and a frequent exchange of business missions to and from Asia, the USA and Europe – reaching out to global markets to bring investment into Markham as well as opening doors for Markham-based businesses to expand.

Markham's TOP 20 EMPLOYERS

IBM CANADA LTD.

TD FINANCIAL GROUP

CITY OF MARKHAM

MARKHAM STOUFFVILLE HOSPITAL

THE MILLER GROUP

AMD TECHNOLOGIES INC.

CGI INFORMATION SYSTEMS

HOMELIFE LANDMARK REALTY INC

TD INSURANCE

AVIVA CANADA

ALLSTATE INSURANCE

JOHNSON AND JOHNSON INC.

CAA SOUTH CENTRAL ONTARIO

ENERCARE HOME SERVICES

WSP CANADA GROUP LTD.

AUTOLIV ELECTRONICS CANADA INC.

HONDA CANADA

FIRST STUDENT CANADA

COSTCO WHOLESALE CANADA LTD.

GM CANADA TECHNICAL CENTRE

Data source: 2017 York Region Employment Survey

DEVELOPMENT ACTIVITY

Development Activity

From premium corporate, commercial and industrial developments to outstanding mixed-used communities, Markham is creating the infrastructure needed to sustain a vibrant environment for all. This includes working to maintain the lowest tax rates in the GTA.

2017 Tax Rates (%)

	COMMERCIAL	INDUSTRIAL
Toronto	2.52%	2.59%
Mississauga	2.02%	2.30%
Vaughan	1.68%	1.98%
Markham	1.65%	1.93%

Value of Construction
(January - December 2017)

Number of Building Permits Issued
(January - December 2017)

Miscellaneous Includes Agricultural, Swimming Pools, Demolitions, Septic, Signs, Tents, Decks, Designated Structures, Heating & Plumbing Only and Partial Permits.

Industrial Commercial Development

Vacant Employment Land Inventory 2017

Land Use Designation Categories	Serviced and Market Ready (acres)	Unserviced (acres)
Commercial Office	95.78	14.13
Commercial Retail	34.80	39.99
Commercial Mixed	51.72	53.00
Total Commercial	**182.29**	**107.12**
Total Industrial	**432.56**	**1161.98**

Average Price Per Acre (Industrial) $1,100,000-1,300,000
Average Price Per Acre (Commercial) $1,600,000 -$1,800,000

Industrial Inventory, 2017 (Q3)

Total inventory (sq.ft.)	**34,391,126**
Vacancy rate - class A	**0.8%**
Average net rent (sq.ft.)	**$7.67**

Commercial Office Inventory, 2017 (Q3)

Total inventory (sq.ft.)	**8,524,471**
Vacancy rate - class A	**6.67%**
Average net rent (sq.ft.)	**$17.56**

All values are in Canadian Dollars. Source: Colliers International

RESIDENTIAL ACTIVITY & UTILITIES

Residential Development

New Residential Unit Profile

(January-December 2017)

SINGLE DETACHED	SEMI-DETACHED	TOWNHOUSE UNITS	APARTMENT UNITS
14%	2%	69%	15%

Number of New Residential Units Per Year

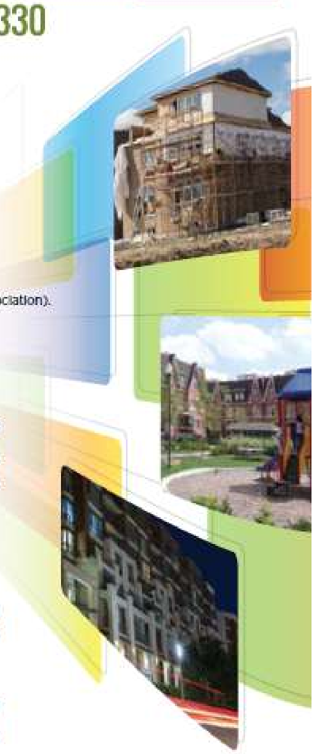
2013	3,106
2014	1,593
2015	2,098
2016	2,388
2017	838

Average Home Prices

(Toronto Real Estate Board, Market Watch, December 2017)

Detached	$1,497,330
Link*	$886,731
Attached/Row/Townhouse	$860,357
Semi-Detached	$856,547
Condo Townhouse	$600,267
Condo Apartment	$468,977
Average All Home Types	$979,383

*Link houses are commonly two or more buildings or dwellings joined underground or by garage (Ontario Real Estate Association).



Municipal Utilities

Water & Sewer Infrastructure, 2017 Rate

Water & wastewater rate per cubic metre	$3.8555/m³
Sanitary sewers	918.7 km
Water mains	1078.1 km

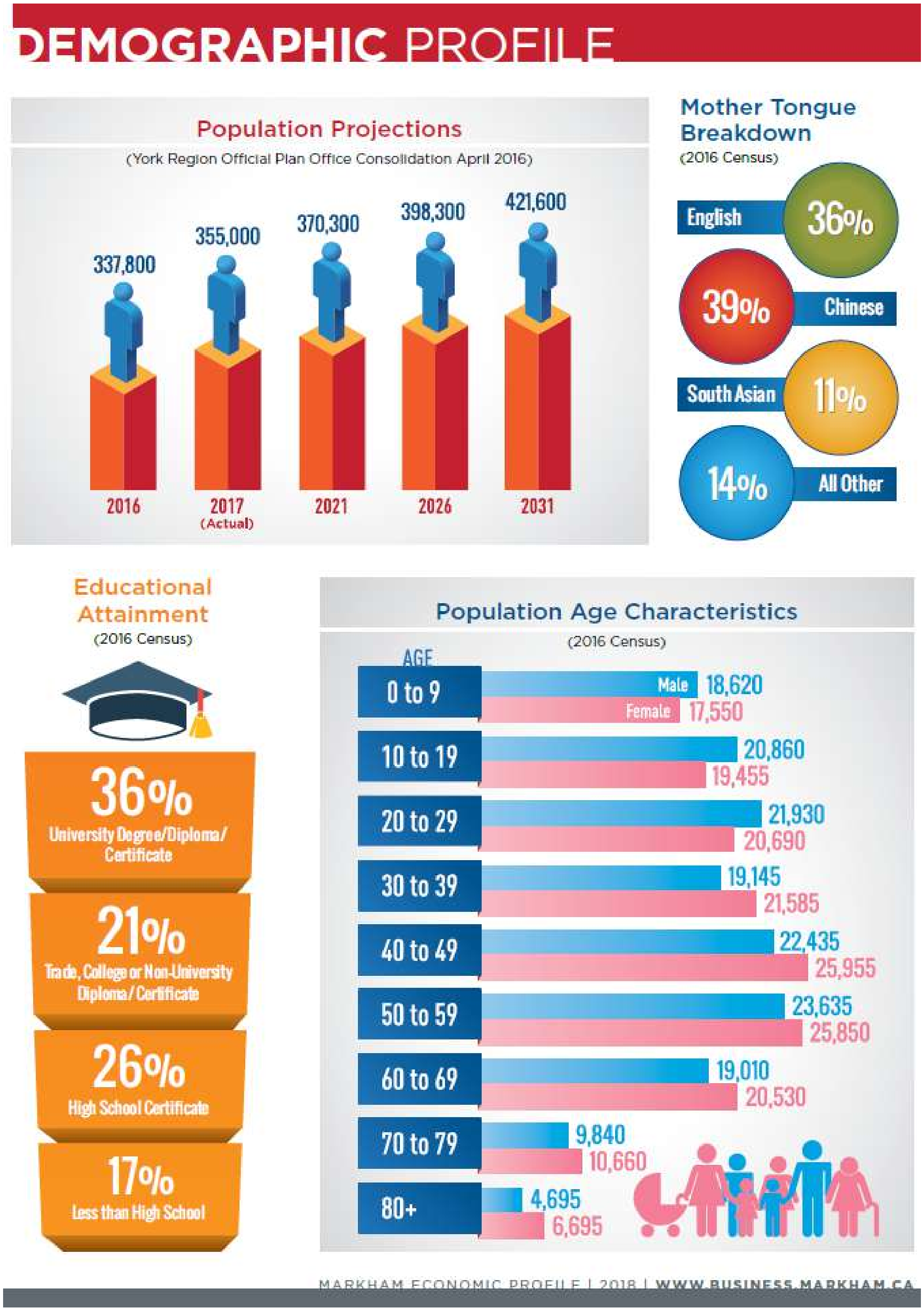
Electricity Costs and Charges, Business Rates

50KW OR LESS

Distribution rate	$0.0189/kWh
Monthly fixed charge	$28.95/month

GREATER THAN 50KW DEMAND

Distribution rate	$4.8510/kW
Monthly fixed charge	$140.97/month


DEMOGRAPHIC PROFILE
Population Projections
(York Region Official Plan Office Consolidation April 2016)
337,800
355,000
370,300
398,300
421,600
2016
2017 (Actual)
2021
2026
2031
Mother Tongue Breakdown
(2016 Census)
English 36%
39% Chinese
South Asian 11%
14% All Other
Educational Attainment
(2016 Census)
36% University Degree/Diploma/Certificate
21% Trade, College or Non-University Diploma/Certificate
26% High School Certificate
17% Less than High School
Population Age Characteristics
(2016 Census)
AGE
0 to 9 Male 18,620 Female 17,550
10 to 19 20,860 19,455
20 to 29 21,930 20,690
30 to 39 19,145 21,585
40 to 49 22,435 25,955
50 to 59 23,635 25,850
60 to 69 19,010 20,530
70 to 79 9,840 10,660
80+ 4,695 6,695
MARKHAM ECONOMIC PROFILE | 2018 | WWW.BUSINESS.MARKHAM.CA

LABOUR FORCE PROFILE

Basic Indicators
(2016 Census)

Number of Persons Employed	159,640
Unemployment Rate	7.3%
Labour Force Participation Rate	63.3%

Labour Force by Industry
(2016 Census)

	%
Finance, Insurance, and Real Estate	13.8
Professional, Scientific and Technical	12.3
Retail Trade	11.3
Manufacturing	9.1
Health Care and Social Assistance	8.4
Accommodation and Food Services	7.2
Educational Services	7.0
Wholesale Trade	5.8
Information, Cultural, Arts, Entertainment and Recreation	4.8
Construction	4.3
Public Administration	3.4
Other	12.6

Wage Rates
(Ministry of Labour)

Minimum Wage Rate	Rates from Jan 1, 2018 to Dec 31, 2018	Rates from Jan 1, 2019 to Oct 1, 2019
General Minimum Wage	$14.00 per hour	$15.00 per hour
Student Minimum Wage	$13.15 per hour	$14.10 per hour

Average Earnings, by Selected Occupation, in Markham
(Statistics Canada 2016 Census)

Management	$ 83,438
Natural and applied sciences and related	$ 75,796
Health	$ 62,873
Business, finance and administrative	$ 52,358
Education, law and social, community and government services	$ 49,434
Trades, transport and equipment operators and related	$ 37,588
Manufacturing and utilities	$ 34,381
Sales and service	$ 29,493
Art, culture, recreation and sport	$ 24,602
Natural resources, agriculture and related production occupations	$ 22,505

Average Total Income
(2016 Census, for the population aged 15 years and over in private households)

Ontario Average
$47,915

Canadian Average
$47,487

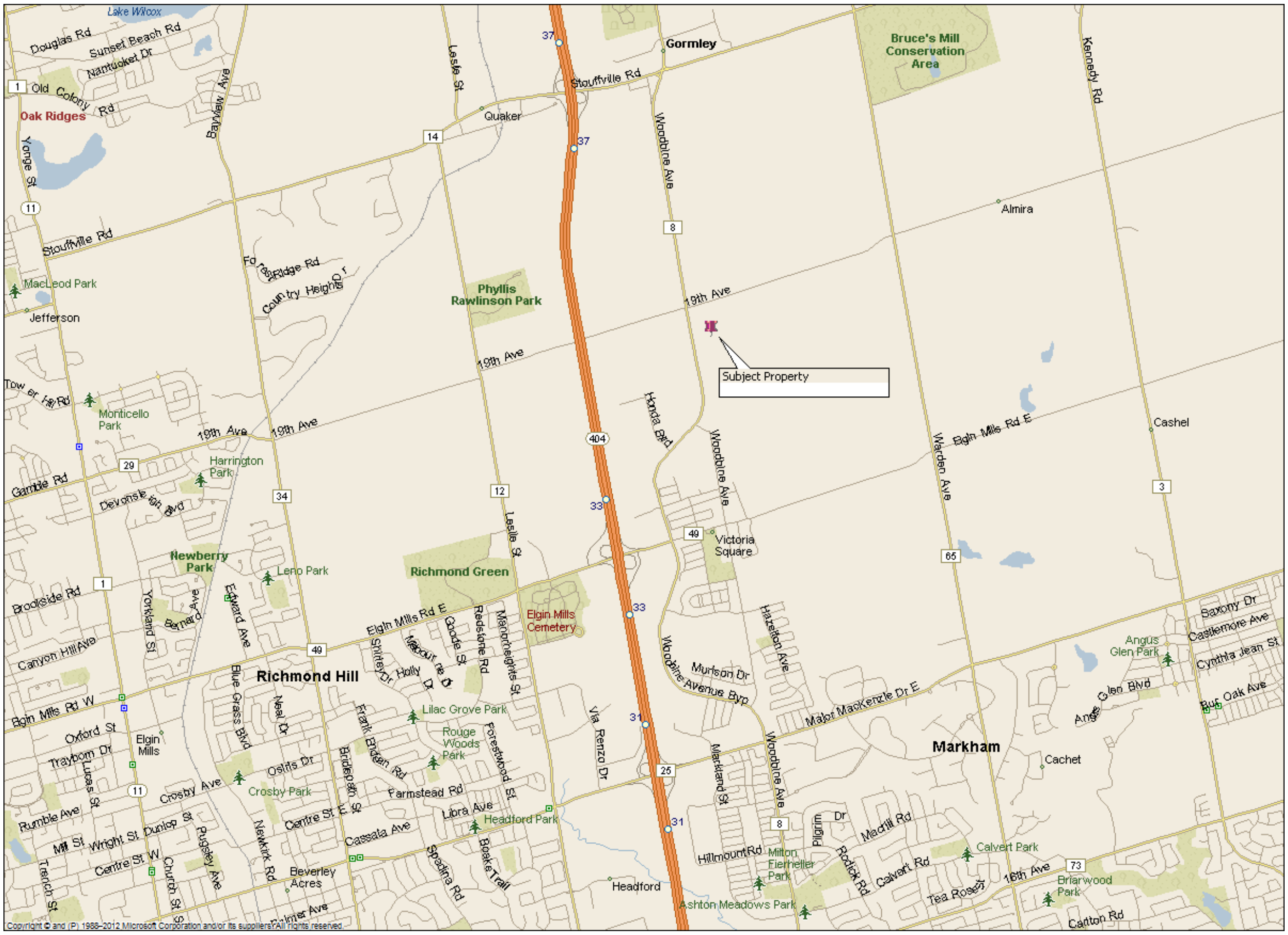
Markham Average
$45,184

Note: For other Census topics, please visit www.statscan.gc.ca
Data for Average Earnings by Selected Occupation, is based on the Markham Census Subdivision Area (CSD) from Statistics Canada 2016 Census.

Aerial View of Neighbourhood

*Source: Google Maps (*Property lines are approximate)*

Location Map



Local Area Overview

The subject property is located at the southeast corner of Woodbine Avenue and Nineteenth Avenue, in the northwest section of the City of Markham. A local area description is provided below:

- In this appraisal, the market area is basically bounded by Stouffville Road to the north, Bayview Avenue to the west, Major Mackenzie Drive East to the south, and Markham Road to the east. This market area is mostly agricultural/rural in nature, and partly developed or being developed with new residential subdivisions. Angus Glen Golf Course, Mandarin Golf and Country Club, and Meadowbrook Golf and Country Club are situated within this market area.
- The immediate neighbourhood of the subject property is basically agricultural in nature. Existing nearby properties include operating farmlands, rural residential houses and employment uses. The subject property has agricultural lands to the east, south and across Nineteenth Avenue to the north, and 19th Avenue Farmers Market across Woodbine Avenue to the west.

- At the time of inspection, a Public Notice was displayed at the northwest corner of Woodbine Avenue and Nineteenth Avenue for 2780 19th Avenue, informing the public that an official plan amendment application has been submitted to redesignate approximately 6.2 ha of land at the northwest corner to provide for Business Park Employment uses and to recognize that the lands are no longer subject to the provisions of the Oak Ridges Moraine Conservation Plan and Greenbelt Plan.
- New residential subdivisions were developed and planned along of Woodbine Avenue to the north of Elgin Mills Road East, less than a mile to the south of the subject property.
- The Greenbelt Act, 2005 protects environmentally sensitive land and agricultural land in the Golden Horseshoe from urban development and sprawl. The act authorizes the government to designate a greenbelt area that includes the areas covered by the Oak Ridges Moraine Conservation Plan and the Niagara Escarpment Plan. The greenbelt extends 325 kilometres from the eastern end of the Oak Ridges Moraine near Rice Lake, to the Niagara River in the west. *That part of the subject property which is zoned "Open Space One" is situated within the boundary of the Greenbelt Area.*
- The Highway 404 North Planning District is bounded basically by the Markham's boundary with Whitchurch-Stouffville to the north, Woodbine Avenue to the east, the northern boundary of Cathedral Planning District (which is north of Elgin Mills Road East) to the south, and Highway 404 to the west. This district contains a total of about 181 hectares of land (about 447.7 acres), and is situated across Woodbine Avenue on the west side of the subject property. Over 60% of this district has been designated under the Secondary Plan as business park area. The new headquarters of Honda Canada Inc. is located in this district, which comprises a four-storey head office, a research and development centre and a parts warehouse with total building area of 500,000 square feet. *The subject property does not fall within this secondary plan.*
- The concerned section of Woodbine Avenue is a two-way, two-lane major regional road (with gravel shoulders), carrying moderate vehicular traffic in north/south direction. Nineteenth Avenue is a regional road (with gravel shoulders), carrying light vehicular traffic in east/west direction. The recently constructed vehicular flyover bridge across Highway 404 at Nineteenth Avenue (not yet an interchange) is situated about three-quarters of a mile to the west; and the interchange of Highway 404/Elgin Mills Road East is situated less than one and a half miles to the southwest of the subject property. Overall, vehicular accessibility to the subject property is good.

Market Overview

Greater Toronto Area Property Sales

According to *Urbanation* Q3-2018 Market Report for GTA Property Sales, the highlights of the GTA industrial, commercial and investment (ICI) property markets include:

- The total value of property sales in the GTA fell 30% year-over-year to $4.7 billion, with the number of transactions in Q3 declining 23% to 320 sales (properties sold for $2 million+).
- Declines were attributable to a 58% drop in office building sales to $879 million from a near quarterly record of $2.1 billion a year ago.
- As well, the total value of apartment development site sales fell 63% year-over-year to $315 million, and low density residential land declined 66% to $281 million.
- The biggest gainer by property type in Q3 was rental apartment buildings, which more than doubled in sale value to reach a high of $1.1 billion on 30 transactions.
- The largest recorded transaction in Q3 was the Wynn Group portfolio sale, containing a mix of rental apartments, retail and industrial properties for $950 million.
- Rental apartment buildings sold for an average of $271,000 per suite, a level that has held steady in recent quarters.
- Cap rates for rental building sales averaged 3.13% in Q3, ranging between 3.25% and 4.09% among the five largest transactions.
- The highest valued apartment site in Q3 that included a development application was the sale of 767-773 Yonge Street for $28 million ($191 psf of proposed GFA).
- The average sale price of low density residential land declined from its peak of $838K per acre in Q2-18 to $683K per acre in Q3, which was up 42% from a year ago. Commercial land traded at $493K per acre.
- The average sale price for office buildings in Q3 was $285 psf, while industrial buildings averaged $144 psf and retail buildings averaged $278 psf.
- House lots reached their highest quarterly sale value of the year at $189 million, with an average price per lot of $257K.

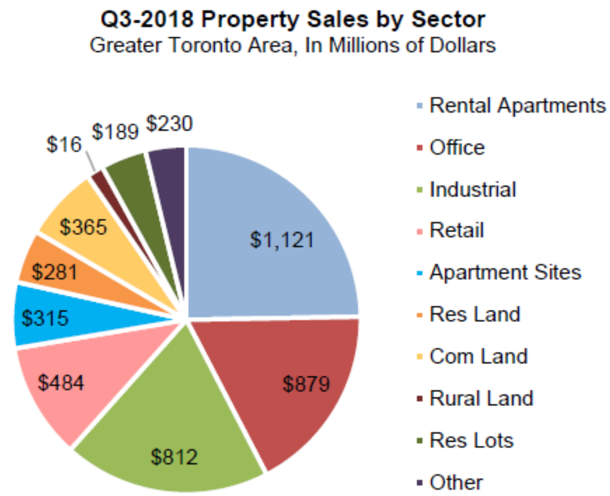
GTA Property Sales decrease 30% from last year to $4.7 Billion in Q3-2018

- The total value of commercial property sales recorded in the Greater Toronto Area was $4.7 billion in Q3-2018, a decrease of 30% from Q3-2017 ($6.7 billion) and a 15% decrease from the previous quarter ($5.5 billion).
- There were 320 transactions in the third quarter of 2018, representing a 23% decrease in the number of properties sold compared to Q3-2017 (416 transactions).
- From January to September 2018, property sales totaled $16.7 billion, up 3% from January to September 2017 ($16.3 billion).

Source: Teranet, Urbanation

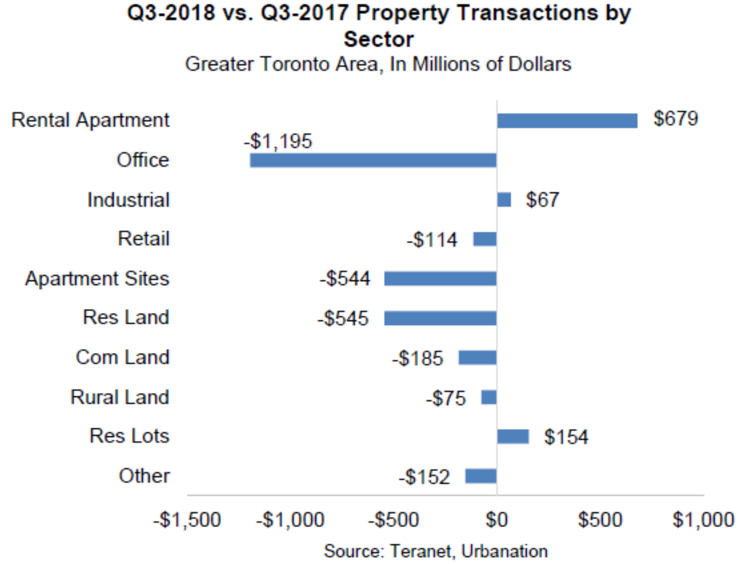
Property Type Breakdown

- Rental apartments represented the highest value of property transactions in Q3-2018 at $1.1 billion or 24% of the GTA total.
- Office buildings had the second highest value ($879 million; 19%), followed by industrial buildings ($812 million; 17%), retail buildings ($484 million; 10%), commercial land ($365 million; 8%), apartment sites ($315 million, 7%), residential land ($281 million; 6%), residential lots ($189 million; 4%) and rural land ($16 million).



Source: Teranet, Urbanation

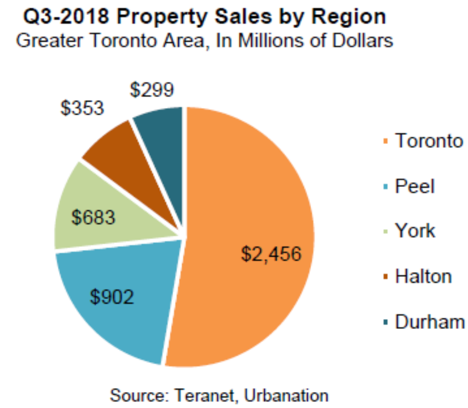
- Residential lots saw the largest percentage increase in transaction value from a year ago at +434% ($154 million), followed by rental apartments (+154%; $679 million) and industrial buildings (+9%; $67 million). Decreases were seen in residential land (-66%; $545 million), apartment sites (-63%, $544 million), office buildings (-58%, $1.2 billion), commercial land (-34%, $185 million) and rural land (-82%, $75 million).



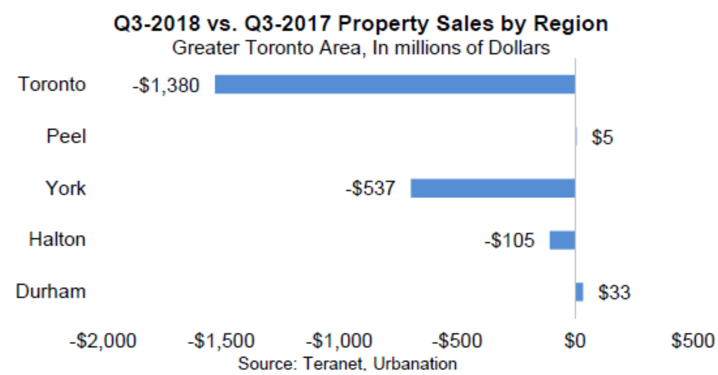
Regional Breakdown

- The City of Toronto represented 52% of property sales in Q3-2018 with a total transaction value of $2.5 billion, decreasing from its Q3-2017 share of 58%.

- Peel Region recorded $902 million in property sales in Q3-2018 (19% share), followed by York Region at $683 million (15%), Halton Region at $353 million (8%) and Durham Region at $299 (6%).



- In terms of percentage growth over Q3-2017, Durham had the largest increase in value at 12% (+$33 million), followed by Peel Region at 0.5% (+$5 million). Large decreases in transaction values were seen in the City of Toronto at 36% (-$1.4 billion) and York Region at 44% (-$537 million).



MARKETBEAT

Greater Toronto Area, ON

Office Q3 2018

CUSHMAN & WAKEFIELD

GREATER TORONTO AREA OFFICE

Economic Indicators

	Q3 17	Q3 18	12-Month Forecast
GTA Employment	3.3 mil	3.3 mil	▲
GTA Unemployment	6.1%	6.1%	▼
Canada Unemployment	6.2%	5.9%	▬

Source: Statistics Canada

Market Indicators (Overall, All Classes)

	Q3 17	Q3 18	12-Month Forecast
Availability Rate	6.9%	6.5%	▼
Net Absorption (sf)	736,593	646,594	▬
Under Construction (sf)	3,393,437	6,521,150	▲
Average Asking Rent*	$40.56	$43.31	▲

*Rental rates reflect gross asking $psf/year

Overall Net Absorption/Overall Asking Rent

4Q TRAILING AVERAGE

Overall Availability

Economy

Ontario is among three provinces in Canada boasting near record-low unemployment rates; creating labour shortages and rising wages for some industries. In an effort to keep a lid on inflation, the Bank of Canada raised interest rates in October 2018 to 1.75%. Canada's economy is expected to grow at a fairly solid rate, from 2.1% in 2018 to 2.2% in 2019. *(Source: RBC Economics)*

Market Overview

The unprecedented boom cycle, which kicked off in 2009, has posted impressive results quarter after quarter. The third quarter of 2018 was another record breaker, and highlighted downtown Toronto as being the largest and fastest growing office market in Canada. Downtown availability plummeted for a fifth consecutive quarter to yet another historic low of 2.3%. Vancouver was close behind at 2.4%, while other major Central markets posted rates above 7.0%.

Technology is one of the main forces behind this transformational cycle. The tech sector itself accounted for more than 30% of the office growth in the past year and continues to reinvent the way we live, work and play. In this evolving office environment, occupiers are increasingly seeking agile, flexible workplaces, which has fueled the rise of the coworking sector. A dire shortage of space in the fringe markets surrounding the core is the number one challenge facing tenants on the street today. Overall availability in these markets is now scraping the bottom at 1.5%, which has sent the downtown average net rent soaring by 16.7% year-over-year.

The second half of 2018 started with a solid performance by the GTA Suburban market. Overall quarterly absorption reached a two-year high of 451,000 square feet (sf) with all three markets posting positive growth and falling availability rates for the first time this year. However, the Suburban market remains a tale of two cities with much of the growth concentrated in amenity-rich nodes with an urban vibe such as Mississauga City Centre, Hwy. 404 & Hwy. 7, and Vaughan. These nodes continue to attract companies with "urbanized developments" and are experiencing stronger market dynamics.

Outlook

With no sign of softening demand, Toronto's downtown market is becoming a victim of its own success. Limited office availability will restrain growth and exert continued upward pressure on rental rates in the short term. Growth in the GTA East market will likely remain steady while improved demand in GTA West is expected to fuel positive results through to the end of 2018.

MARKETBEAT

GTA East

Office Q3 2018

CUSHMAN & WAKEFIELD

Availability

The GTA East overall availability rate decreased in the third quarter of 2018 to 10.6% from 11.0% last quarter. This decline was driven by the Consumers Road submarket, which fell by 58,000 sf. This quarter marks the first decrease in the GTA East's overall availability after 3 consecutive quarterly increases.

Approximately 100,000 sf of space is expected to return over the next quarter. This includes the 23,000-sf block at 27 Allstate Parkway, which is expected to be vacated by Oracle Corporation Canada Inc.

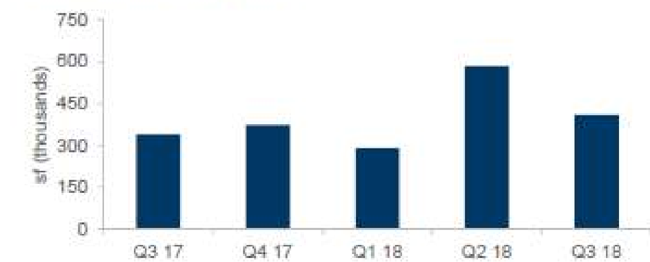
Availability All Classes

Leasing Activity

Leasing activity decreased in the third quarter of 2018 to 410,000 sf from 585,000 sf last quarter. This decrease was primarily due to Class B leasing activity, which fell by 153,000 sf in the quarter.

A significant transaction completed in the third quarter of 2018 included ThyssenKrupp Elevator Canada's 17,000-sf lease at 2075 Kennedy Road. Two notable renewals were Aecom's 70,000-sf deal at 105 Commerce Valley Drive West and their 26,000-sf deal at 30 Leek Crescent.

Leasing Activity All Classes

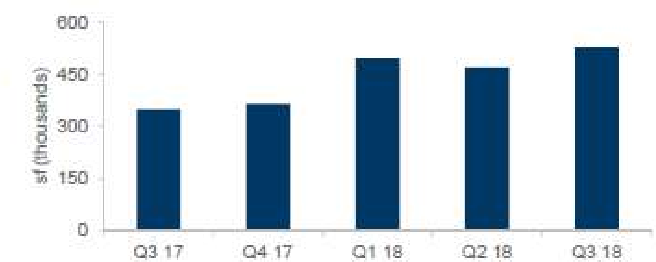


Sublease Availability

Sublet availability rose this quarter to 527,000 sf from 469,000 sf last quarter. This was driven by the Hwy 404 & Hwy 7 submarket's sublet space increase of 30,000 sf during the quarter. Sublet availability over the last 3 quarters is about 25% higher than the 3-year quarterly average of 390,000 sf.

A low amount of sublet space is being tracked to become available over the next few quarters. It is likely that sublet availability, which has risen by 217,000 sf over the past 7 quarters, will begin to tighten.

Sublease Availability All Classes

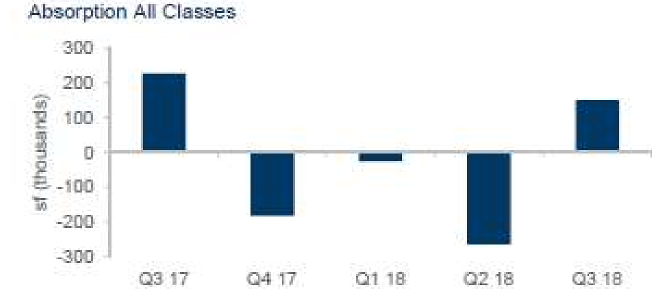


Absorption

GTA East's overall absorption returned to positive territory, increasing in the third quarter of 2018 to 150,000 sf. This was largely due to the improvement in absorption in the Steeles & Hwy 404 submarket. Also, the completion of 5 Via Renzo Drive added 45,000 sf of positive absorption.

Given that decreasing amounts of space are currently being tracked to return to market over the next several quarters, it is likely that absorption will remain in positive territory.

Absorption All Classes



MARKETBEAT

Greater Toronto Area, ON

Office Q3 2018

CUSHMAN & WAKEFIELD

SUBMARKET	INVENTORY (SF)	SUBLET AVAILABLE (SF)	DIRECT AVAILABLE (SF)	OVERALL AVAILABILITY RATE	CURRENT NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)**	UNDER CNSTR (SF)	OVERALL AVERAGE ASKING RENT (ALL CLASSES)*	OVERALL AVERAGE ASKING RENT (CLASS A)*
Financial Core	36,113,403	244,037	870,425	3.1%	158,827	432,926	1,973,786	820,000	$61.93	$65.23
Downtown Fringe	38,046,792	164,179	408,031	1.5%	98,853	155,424	1,143,537	5,268,501	$50.94	$55.62
Downtown	**74,160,195**	**408,216**	**1,278,456**	**2.3%**	**257,680**	**588,350**	**3,117,323**	**6,088,501**	**$56.29**	**$61.04**
Midtown	16,197,605	46,573	467,212	3.2%	-62,424	25,579	534,967	0	$46.08	$51.46
CENTRAL AREA	**90,357,800**	**454,789**	**1,745,668**	**2.4%**	**195,256**	**613,929**	**3,652,290**	**6,088,501**	**$54.48**	**$59.76**
GTA East	32,382,567	527,205	2,894,158	10.6%	150,488	-139,005	1,284,073	0	$30.12	$33.78
GTA North	15,137,016	140,809	922,530	7.0%	125,622	29,636	680,917	90,000	$36.80	$37.89
GTA West	39,602,841	396,398	4,400,924	12.1%	175,228	692,564	2,157,171	342,649	$30.67	$32.61
SUBURBAN AREA	**87,122,424**	**1,064,412**	**8,217,612**	**10.7%**	**451,338**	**583,195**	**4,122,161**	**432,649**	**$31.48**	**$34.01**
GTA TOTALS	**177,480,224**	**1,519,201**	**9,963,280**	**6.5%**	**646,594**	**1,197,124**	**7,774,451**	**6,521,150**	**$43.31**	**$48.18**

*Rental rates reflect gross asking $psf/year
** Leasing activity excludes renewals

Key Lease Transactions Q3 2018

PROPERTY	SF	TENANT	TRANSACTION TYPE	SUBMARKET
81 Bay Street	131,000	Microsoft Canada Inc.	Lease	Downtown South
81 Bay Street	97,000	AGF Management Ltd.	Lease	Downtown South
2727 Meadowpine Boulevard	90,000	Purolator Inc.	Lease	Meadowvale
1919 Minnesota Court	71,000	General Electric Canada Property Inc.	Lease	Meadowvale
100 Sheppard Avenue East	56,000	Smith and Anderson Consulting Engineers	Lease	Yonge & Hwy 401
2845 Matheson Boulevard East	54,000	Campbell Soup Company	Lease	Airport Corporate Centre
100 University Avenue	52,000	WeWork	Lease	Financial Core
325 Front Street West	49,000	One Eleven	Expansion	Downtown West

Key Sales Transactions Q3 2018

PROPERTY	SF	SELLER/BUYER	PRICE / $PSF	SUBMARKET
Lansing Square	439,612	Manulife Financial / Elad Canada	$162,300,000 / $369	Consumers Road
6655, 6695, 6715 & 6725 Airport Road	332,208	KingSett Capital / Greater Toronto Airports Authority	$69,500,000 / $209	Airport (Surrounding ACC)
Pearson Corporate Centre	305,446	Bentall Kennedy / Crown Realty Partners	$63,500,000 / $208	Airport (Surrounding ACC)
5775 Yonge Street	274,085	Sun Life Assurance Company of Canada / True North Commercial REIT	$85,150,000 / $311	Yonge & Hwy 401
1004 Middlegate Road	262,028	Crown Realty Partners / Rogers	$64,965,000 / $248	Cooksville

Source: RealNet Canada Inc.

CUSHMAN & WAKEFIELD

MARKETBEAT

Greater Toronto Area, ON

Industrial Q3 2018

CUSHMAN & WAKEFIELD

GREATER TORONTO AREA

Economic Indicators

	Q3 17	Q3 18	12-Month Forecast
GTA Employment	3.3 mil	3.3 mil	▲
GTA Unemployment	6.4%	6.1%	▼
Canada Unemployment	6.2%	5.9%	■

Source: Statistics Canada

Market Indicators (Overall, All Product Types)

	Q3 17	Q3 18	12-Month Forecast
Overall Vacancy	2.5%	1.7%	▼
Net Absorption (sf)	1,588,856	4,232,840	▼
Under Construction (sf)	5,434,182	9,551,721	▼
Overall Average Asking Rent	$6.09	$6.78	▲

Net Absorption/Overall Asking Rent

4Q TRAILING AVERAGE

Overall Vacancy

Economy

Canadian job growth rebounded in September 2018 as 63,000 jobs were created, driving the unemployment rate to 5.9%, with the majority of the job gains concentrated in Ontario and B.C. Labour demand remains healthy and surveys point to growing job shortages, yet hourly pay growth has been slow to follow, which should keep a lid on inflation. One of the most significant occurrences this quarter was the new trade agreement (USMCA) that was reached between the U.S., Mexico and Canada. This new deal reduces trade uncertainty, and effectively exempts Canada from auto tariffs for the first 2.6 million Canadian made-cars imported by the U.S. every year (the U.S. currently imports about 1.8 million per year). This exemption allows room for growth and provides relief for the auto sector. GDP growth is expected to expand to 2.2% in 2018 and 2019.

Market Overview

The GTA industrial market continues to put in a strong performance, with availability dipping in the third quarter of 2018 by 40 basis points to an all-time low of 1.7%. The GTA West availability rate fell to 1.9%, while the GTA North availability rate bottomed out at 1.5%.

Landlords and developers are scrambling to relieve supply shortages and keep up with the unrelenting demand. A record-high 9.4 million square feet (msf) is currently under construction - 66% speculative; 34% build to suit. The lion's share of development activity (56%) is located in the GTA West market, followed by the GTA North market at 26%.

Average asking lease rate jumped 11% year-over-year to $6.78 per square foot (psf). Absorption reached 4.2 msf in the third quarter of 2018, the highest level since the fourth quarter of 2012 when it totaled 4.7 msf. Leasing and sales activity hit highs of 8.0 msf and 5.8 msf, respectively. Preleasing accounted for 23% of the total activity, bolstered by Amazon securing over 1.0 msf in Caledon. Of all the asset classes, which includes industrial, commercial/retail and office space, industrial activity eclipsed them all, accounting for nearly 75% of total space leased in the third quarter of 2018 (TREB). E-commerce and logistics remain the main drivers of this unprecedented growth cycle across the GTA industrial markets.

Outlook

The legalization of cannabis will spur demand although lengthy municipal approval processes and supply shortages will remain barriers to tenants seeking space. Generally, tenants who negotiated deals two years ago are in a better rental rate position than those in the market today. Market confidence remains bullish, as evidenced by the amount of speculative construction underway as well as planned construction. In the third quarter of 2018, 53% of speculative developments were already preleased. The scarcity and high cost of land, rising cost of raw materials and labour, and high development fees are just some of the factors that will continue to exert upward pressure on rental rates. With limited supply and increased rent and sale prices in the GTA, more tenants will need to widen their search to secondary markets.

MARKETBEAT

Greater Toronto Area, ON

Industrial Q3 2018

CUSHMAN & WAKEFIELD

SUBMARKET	TOTAL BLDGS	INVENTORY (SF)	OVERALL AVAILABLE RATE	YTD LEASING ACTIVITY (SF)	YTD SALES ACTIVITY (SF)	YTD NET OVERALL ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG. NET RENT*	OVERALL WEIGHTED AVG. TMI*	OVERALL WEIGHTED AVG. ASKING SALE PRICE
East York	279	16,078,010	0.3%	22,500	130,133	500	0	0	$10.76	$3.89	n/a
Etobicoke	1,125	68,837,080	2.6%	1,437,974	1,441,879	-266,222	0	0	$5.94	$3.35	$200.15
North York	1,588	72,548,402	1.2%	1,770,291	986,840	97,033	924,665	0	$6.96	$3.78	$166.57
Scarborough	1,123	58,945,897	1.1%	1,890,679	1,055,854	120,494	700,591	0	$6.48	$3.54	$103.85
Toronto	81	3,826,286	0.0%	0	10,000	-4,681	0	0	n/a	n/a	n/a
York	201	10,963,680	0.0%	0	24,575	-47,959	0	0	n/a	n/a	n/a
GTA CENTRAL	**4,397**	**231,199,355**	**1.5%**	**5,121,444**	**3,649,281**	**-100,835**	**1,625,256**	**0**	**$6.39**	**$3.51**	**$134.58**
Bolton/Caledon	203	13,685,376	1.1%	1,671,070	107,250	343,338	1,303,838	189,721	$8.38	$2.84	$140.03
Brampton	1,073	96,216,456	0.4%	3,278,040	1,480,589	1,365,990	2,063,218	149,632	$6.75	$3.56	$241.44
Burlington	483	22,391,524	3.1%	242,562	1,020,935	112,376	103,195	0	$6.47	$3.11	$118.82
Milton/Halton Hills	283	26,388,736	8.4%	1,351,549	68,533	1,018,078	583,169	297,195	$6.67	$2.50	$262.71
Mississauga	3,200	174,713,579	1.3%	6,176,522	4,324,552	3,243,270	1,325,887	2,193,744	$7.11	$3.41	$214.80
Oakville	460	23,328,148	3.8%	464,837	338,798	-469,289	0	98,549	$7.25	$3.02	n/a
GTA WEST	**5,702**	**356,723,819**	**1.9%**	**13,184,580**	**7,340,657**	**5,613,763**	**5,379,307**	**2,928,841**	**$6.89**	**$3.00**	**$195.89**
Aurora	106	5,799,136	2.1%	68,649	65,437	9,590	0	0	$7.58	$3.54	$220.63
Markham	705	31,081,793	2.4%	538,127	880,671	-286,105	0	0	$8.01	$3.68	$286.71
Newmarket	154	6,951,746	1.3%	22,000	125,721	-24,559	0	60,064	$7.95	$3.00	$255.10
Richmond Hill	252	13,119,474	0.6%	271,074	196,845	1,265	0	0	$8.30	$4.03	$272.51
Vaughan	1,598	92,502,552	1.4%	3,857,734	1,073,895	1,148,114	2,547,158	675,500	$6.34	$2.92	$260.07
GTA NORTH	**2,815**	**149,454,701**	**1.5%**	**4,757,584**	**2,342,569**	**848,305**	**2,547,158**	**735,564**	**$7.12**	**$3.24**	**$264.95**
Ajax	136	7,154,420	0.3%	106,589	188,017	88,581	0	0	$10.24	$6.00	n/a
Oshawa	114	5,399,540	3.1%	0	385,051	252,846	0	0	$6.32	$3.11	n/a
Pickering	134	8,865,960	4.1%	162,237	369,383	-215,476	0	0	$6.16	$3.13	n/a
Whitby	111	8,207,851	1.1%	383,587	429,245	102,578	0	47,670	$6.21	$3.25	n/a
GTA EAST	**495**	**29,627,771**	**2.2%**	**652,413**	**1,371,696**	**228,529**	**0**	**47,670**	**$6.32**	**$3.23**	**n/a**
SUBURBAN	**9,012**	**535,806,291**	**1.8%**	**18,594,577**	**11,054,922**	**6,690,597**	**7,926,465**	**3,712,075**	**$6.90**	**$3.07**	**$214.09**
GTA OVERALL	**13,409**	**767,005,646**	**1.7%**	**23,716,021**	**14,704,203**	**6,589,762**	**9,551,721**	**3,712,075**	**$6.78**	**$3.18**	**$187.98**

* Inventory is based on existing buildings that are equal to or greater than 10,000 sf.*Rental rates reflect asking $psf/year

CUSHMAN & WAKEFIELD

Q3 Investment Update

A slowing of larger transactions and absence of portfolio sales tapered overall investment activity in the third quarter which saw 23 trades totaling $267 million in volume. On a year-to-date basis Q3 pushed national transaction volume to over $1.1 billion, pacing just 4% below comparable levels in 2017 when excluding strategic and M&A transactions. Q3 marked an exceptional quarter for Canadian hotel operating performance with STR reporting the highest quarterly national ADR and RevPAR on record, led by notable strength in British Columbia and Ontario.

With a lack of major market investment opportunities available, secondary/tertiary markets continued to be a primary focus for investors - particularly in the limited-service segment which represented 65% of deals sold this quarter. Reflecting the product type transacting in the market, price per key metrics averaged $101,900 through the end of Q3 compared with $164,900 in Q3 2017.

Q3 Highlights:

- Ontario was the top province for hotel investment with 12 transactions representing more than 60% of Q3 volume ($170 million).
- Sales activity in Alberta continued to rise year-over-over, ranking as the second most active province for trading in Q3 with $42 million in volume.
- First Capital Realty's (TSX: FCR) purchase of a 60% interest in Toronto's luxury Hazelton Hotel for $44.4 million marked the first hotel acquisition by a public company this year.

GTA New Residential Condominium Market Overview

According to *Urbanation (Q3-2018) Condominium Market Report*, the GTA new condominium apartment market recorded 4,738 sales in Q3-2018, rising 4% year-over-year to reach the third highest Q3 volume of the past 10 years. Year-to-date sales of 14,055 units were down 46% from the record breaking pace of 25,839 sales in the same period last year. Unsold inventory grew 2% quarter-over-quarter and 22% annually to 9,927 units, while remaining 33% below the 10-year Q3 average of 14,806. The total level of absorption in the market (including sold out projects) remained at its high of 92% despite a record number of units in development (120,462). Price growth maintained a brisk pace in Q3, with the average sold index up 11% year-over-year ($745 psf) and unsold index up 19% ($972 psf). In the resale market, sales grew 2% annually (first annual gain since Q1-2017) to 5,253 units, while average prices increased by 6.5% year-over-year to $690 psf.

NEW CONDOMINIUM MARKET OVERVIEW BY QUARTER
GREATER TORONTO AREA

Quarter	Q3-2017	Q4-2017	Q1-2018	Q2-2018	Q3-2018
Active Market					
Projects	270	276	276	289	290
Total Units	76,057	78,014	77,755	80,523	81,964
Quarter Sales	4,539	8,838	4,210	5,107	4,738
Unsold Inventory	8,168	8,733	8,712	9,725	9,927
Average Sold psf	$670	$701	$711	$726	$745
Average Unsold psf	$815	$888	$917	$921	$972
Share of Active Units Sold	88%	88%	88%	87%	88%
New Project Openings					
Projects	15	32	16	26	17
Total Units	5,035	9,017	4,053	5,759	4,940
New Projects Construction Status					
Construction Starts	5,607	5,963	6,668	8,107	8,150
Projects UC	201	202	222	232	236
Total Units UC	55,824	57,776	61,849	64,029	67,581
Proposed Developments					
Future/Potential	345,619	345,593	356,868	362,750	367,936

Source: Urbanation Inc., Toronto Real Estate Board

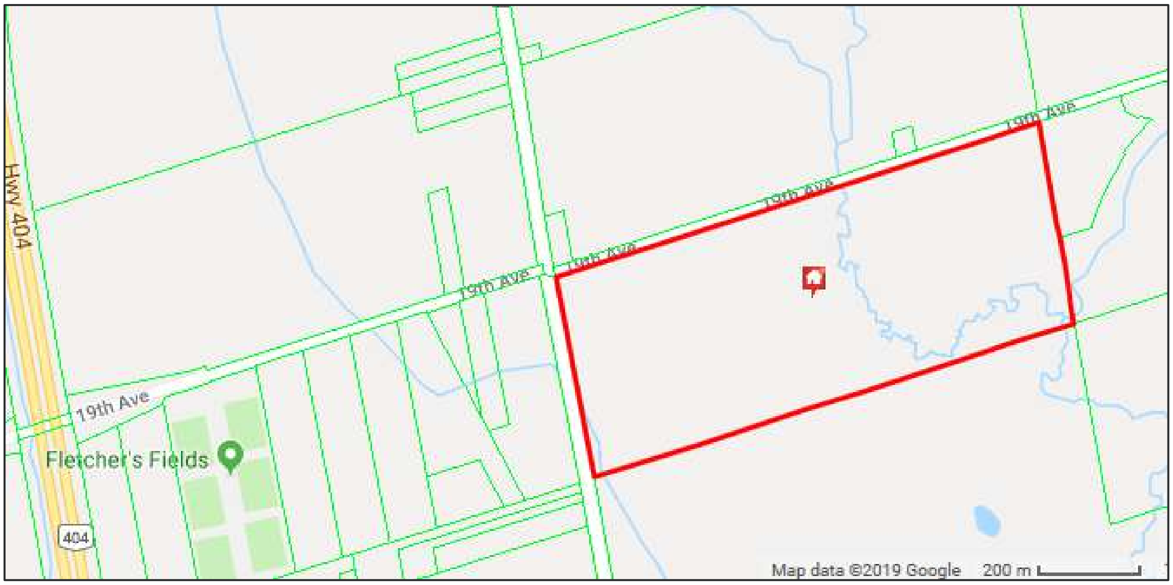
Property Description

Site Description

Site Area:	99.73 acres (according to Municipal Property Assessment Corporation) Approximately 70 acres (excluding land zoned Open Space) *(* The exact site measurement and the developable land area portion should be determined by professional surveying and planning consultants)*
Site Shape:	Basically rectangular
Site Frontages:	1,320 feet (approximately) on east side of Woodbine Avenue 3,280 feet (approximately) on south side of Nineteenth Avenue
Topography:	Basically flat and level at the east half, and slopes down mildly at the west half towards the westerly boundary at grade of Woodbine Avenue.
Position:	Corner
Visibility:	Good on both Woodbine Avenue and Nineteenth Avenue
Soil Conditions:	We did not receive nor review a soil report. We assume that the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). We did not observe any evidence to the contrary during our physical inspection of the property. Drainage appears to be adequate.
Municipal Services & Utilities:	Not yet currently provided, but assumed to be available upon development.
Site Improvements:	Vacant and unimproved
Land Use Restrictions:	Approximately 30 acres of the subject property are designated “Greenway” under the official plan and are zoned “Open Space One (O1)”. Other than this, we are not aware of any easements, encroachments or restrictions that would adversely affect the site's use. A title search and legal opinion will be required to ascertain whether any adverse conditions exist.
Hazardous Substances:	We are not qualified to ascertain any toxic wastes or contaminated materials, soil/sub-soil conditions and environmental issues. Determination of such information was not part of our mandate and no funds were provided for such undertaking. No responsibility is assumed for the existence of any such substances or any costs associated with their removal, correction or treatment in the event they are found to exist on the subject property or on adjacent lands, or in close proximity to the subject property to materially affect value. Phase I Environmental Site Assessment (ESA) will be required to ascertain any environmental matters.

Overall Functionality:	The subject land is deemed functional for the proposed mixed-use development. *No soil test, geotechnical study or environmental site assessment, etc. are completed for the subject property. In addition, infrastructure such as road, water, sewage, utilities, municipal services, etc. are not currently available for the proposed development. The subject property is evaluated on the assumption that it will be physically and technically viable for the proposed development, and additional costs of site assessment and infrastructure provision will be required.*
Location Rating:	After considering all of the regional and local location aspects, including overall accessibility and street visibility, we have concluded that the location of the property is good.

Site Sketch



Aerial View

*Source: Google Maps (*Property lines are approximate)*

Proposed Development

Introduction

We are not qualified to determine the development potential of the subject property, which should be ascertained by architectural, planning and/or related consultants. For the purpose of this appraisal, the estimated market value of the subject property is based on projected potential buildable gross floor area of approximately 4,500,000 square feet of proposed mixed uses, including hotel, convention & exhibition centre, office, retail and serviced apartments. The proposed development is expected in stages.

The property owner advised WZMH Architect has been retained to complete a concept master plan, undertake official plan review, draft site plan, draft official plan amendment and draft zoning applications regarding the proposed development of the subject property, with the objective to achieve a density of 2.5 times. We were further advised submission to the city is expected in six to twelve months. No documents of the mentioned concept master plan and draft plans/applications regarding the proposed development were provided for this appraisal.

Projected Number of Employment Jobs

The City of Markham is undertaking a comprehensive planning process to guide development of the Future Urban Area (FUA) lands in north Markham. This Future Urban Area will accommodate neighbourhood and employment growth in north Markham. The subject property is located within this FUA. Approximately 700 hectares (1,730 acres) of developable lands are designated as “Future Neighbourhood Area”, located primarily between Major Mackenzie Drive and Elgin Mills Road. Approximately 275 hectares (680 acres) located north of Elgin Mills Road are designated as “Future Employment Area”.

According to the Future Urban Area Conceptual Mater Plan (September 2017), Executive Summary Section, it was reported: “With the completion of the Conceptual Master Plan, the next step in the detailed planning for the FUA is the submission, review and approval of secondary plans, including supporting master environmental servicing plans and community design plans. It is anticipated that components of the Community Structure Plan will be further refined as a result of additional analysis and consultation undertaken during the preparation of these plans, or through subsequent EA processes. Phasing plans will also be required for each secondary plan area. At minimum, phasing plans are expected to have regard for development occurring in an orderly progression, with regard for delivery of key infrastructure and providing for elements of a complete community in each phase.” Mindful of the current municipal planning progress, a more precise development potential, and the area/boundaries of the developable area of the subject land can only be determined after completion of the studies and detailed planning of the FUA, follow by further study, consultation, planning and design works by the property owner.

The current official plans of the Region of York and the City of Markham are based upon employment forecasts applicable to the original 2031 forecast date. The new 2017 version of the Growth Plan for the Greater Golden Horseshoe adds employment forecasts for 2041. The increase from the 2031 for all of the Region of York is 110,000 jobs. However, the Region has not allocated those additional jobs to the individual municipalities.

According to the CMP, Section 6.7, approximately 5,000 jobs are estimated within the Residential Neighbourhood Area and Mixed Use Corridors, consisting mainly of institutional, retail and service jobs (i.e. population-related), and assuming a small percentage working from home. An additional 11,000-13,000 jobs are anticipated within the employment lands of the Employment Block (within which the subject property is located), based on a density of 50-60 jobs per developable hectare. Based on these parameters, the CMP assumes there are about 183-260 hectares (about 452-642 acres) of developable land in the Employment Block.

For the purpose of determining how much of the 11,000-13,000 jobs would be allocated to the subject property if the employment is distributed evenly on the basis of developable land area across all lands in the Employment Block, we have to estimate the deemed developable land area of the subject property. Based on information provided by the property owner, it is estimated that the deemed developable land area of the subject property would be approximately 85% of its land area, at 84.77 acres [i.e. 99.73 acres x 85%].

The 84.77 acres deemed developable land area of the subject property represents 13.2%-18.8% of the total developable land in the Employment Block. Based on the higher end of the CMP forecast of 13,000 jobs, the number of employment jobs on the subject property is projected at 1,716-2,444 jobs. This provision of employment jobs will depend on the development density eventually achieved on the subject property.

Projected Potential Buildable Gross Floor Area

According to The Regional Municipality of York 2018 Development Charge Background Study (Released May 10, 2018), Table 2.7, the non-residential GFA per employee assumptions are summarized below.

Table 2.7: Non-Residential GFA per Employee Assumptions

Employment Type	Square Feet per Employee
Industrial	800
Office	275
Institutional	900
Retail	430
Hotel	2,000

Based on information provided by the property owner, the proposed convention & exhibition is considered an employment use similar to hotel. In addition, the proposed serviced apartment units will be significantly larger than typical hotel rooms, there will be no daily housekeeping service provided, and there will be no food services provided. Accordingly, the employment density of serviced apartments is adjusted upward by 50% as per hotel employee assumption, to 3,000 square feet per employee.

Using the above employee assumptions, the potential buildable GFA of the subject property is projected below.

PROJECTED POTENTIAL BUILDABLE GFA

Use	Percentage	No. of Jobs	Potential GFA (SF)
Convention & Exhibition	35%	601 - 855	1,202,000 - 1,710,000
Serviced Apartment	25%	429 - 611	1,287,000 - 1,833,000
Hotel	20%	343 - 489	686,000 - 978,000
Office	10%	172 - 244	47,300 - 67,100
Retail	10%	172 - 244	73,960 - 104,920
Total	100%	1,716 - 2,444	3,296,260 - 4,693,020

As mentioned before, the new 2017 version of the Growth Plan for the Greater Golden Horseshoe adds employment forecasts for 2041. The increase from the 2031 for all of the Region of York is 110,000 jobs, which is 13.9% over the 2031 figure. However, the Region has not allocated those additional jobs to the individual municipalities. Assuming Markham's allocation is increased at the same rate, the subject property will have projected potential buildable GFA of 3,754,440 – 5,345,350 square feet, with the mid-point at 4,500,000 square feet (rounded).

Municipal Information

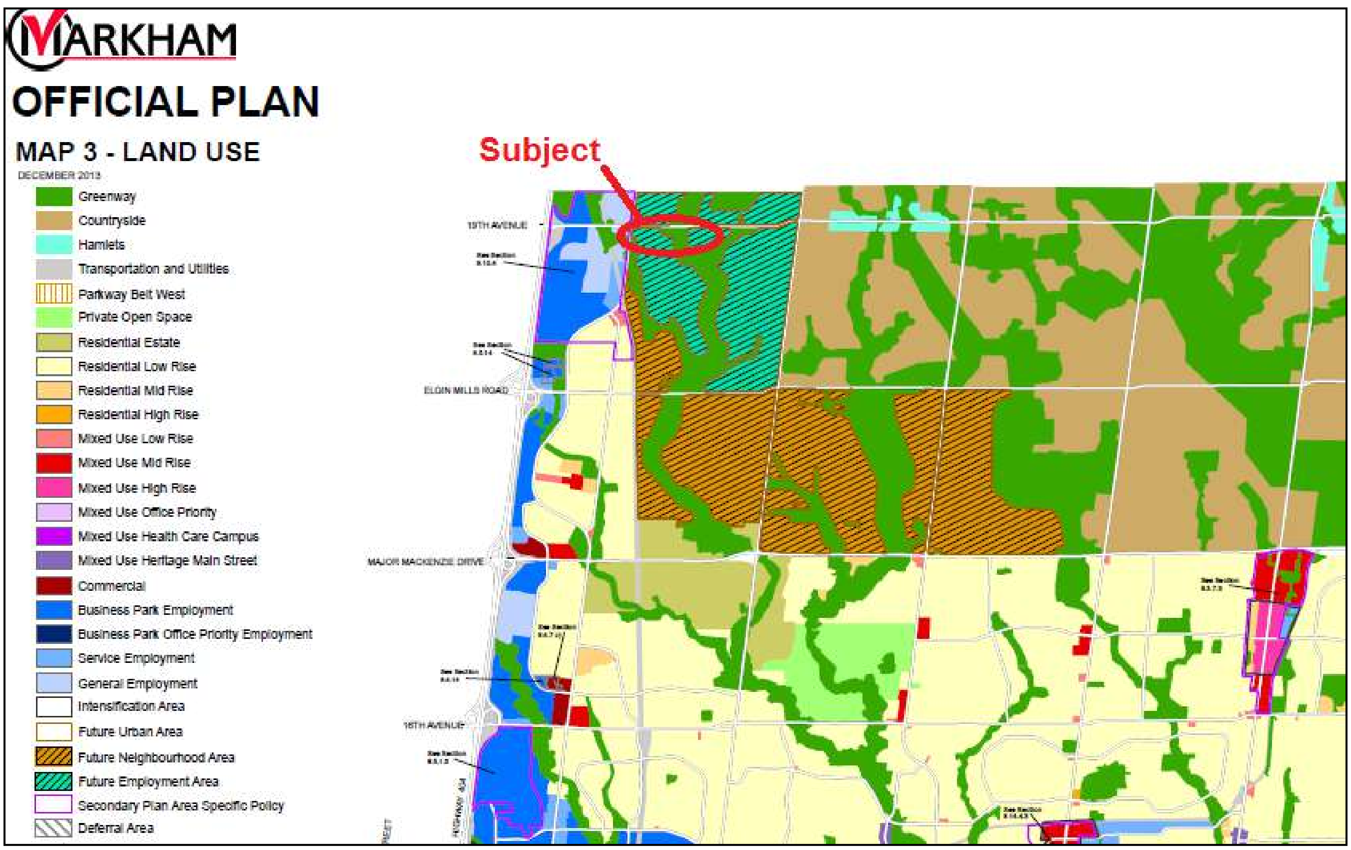
Assessment

The subject property is located within the taxing jurisdiction of City of Markham, and appears under Assessment Roll No. 19-36-020-160-83500-0000. The 2016 Assessed Value (based on a January 1, 2016 Valuation Date) is $1,666,000 (Residential (RT)).

Official Plan Designation

The Official Plan is a policy document that provides direction for planning activities. It is intended to co-ordinate the effects of change and future development in the best long-term interest of the municipality. It provides a framework for zoning and other local regulations.

The City of Markham Official Plan (Region Approved June 2014) designates the subject property mostly "Future Employment Area" and partly "Greenway".



Markham's "Employment Lands" are vital to the City's economic well-being as these lands are specifically required to accommodate forecast office and industrial employment and are the areas in which many of the major drivers of economic activity take place within Markham. These lands are diverse in character and history, and this diversity is captured in four land use designations, each with a particular planned function, use provisions, development criteria and standards.

The five designations are "Business Park Employment", "Business Park Office Priority Employment, "Service Employment", "General Employment" and "Future Employment Area". The "Future Employment Area" lands will be redesigned to one of the other "Employment Lands" through the approval secondary plans for the "Future Urban Area" lands.

The relevant Section 8.5 (Employment Lands) and Section 8.6 (Greenway) of Markham Official Plan are enclosed in Addendum A of this report.

The existing official plan designations are assumed to be re-designated to facilitate the proposed mixed-use development.

Future Urban Area

The City of Markham is undertaking a comprehensive planning process to guide development of the Future Urban Area (FUA) lands in north Markham. This Future Urban Area will accommodate neighbourhood and employment growth in north Markham.

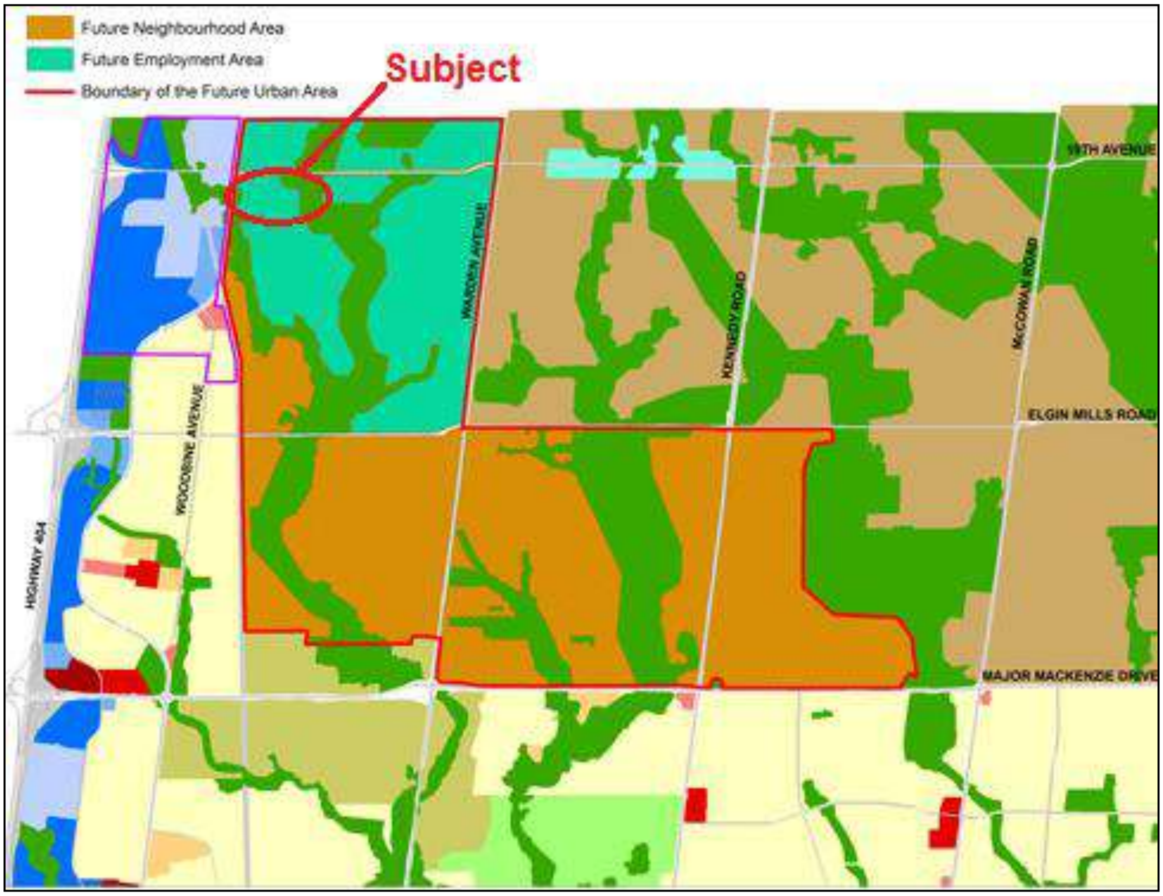
The north Markham Future Urban Area covers about 1,288 hectares (3,183 acres) bordered by Major Mackenzie Drive to the south, the Hydro Corridor and Woodbine Avenue to the west , the northerly City limits and Elgin Mills Road to the north, and the Robinson Creek to the east.

The 2031 population growth targets, established by the Province of Ontario, and further refined by the Region of York and the City of Markham, indicate that north Markham is expected to grow by approximately 38,000 people, 12,000 residential units and 19,000 jobs.

Approximately 700 hectares (1,730 acres) of developable lands are designated as "Future Neighbourhood Area", located primarily between Major Mackenzie Drive and Elgin Mills Road. Approximately 275 hectares (680 acres) located north of Elgin Mills Road are designated as "Future Employment Area".

The remainder of the lands, which contain watercourses and other natural heritage features, are designated as "Greenway" in the Official Plan and will not be developed. The Greenway comprises of natural heritage and hydrologic features and their functions, vegetation protection zones, protected agricultural lands and enhancement lands.

The relevant Section 8.12 (Future Urban Area) of Markham Official Plan is enclosed in Addendum B of this report.



Conceptual Master Plan

The Conceptual Master Plan (CMP) is intended to provide a high level comprehensive Community Structure Plan for the entire Future Urban Area lands to form the basis of more detailed secondary plans for smaller areas (concession blocks).

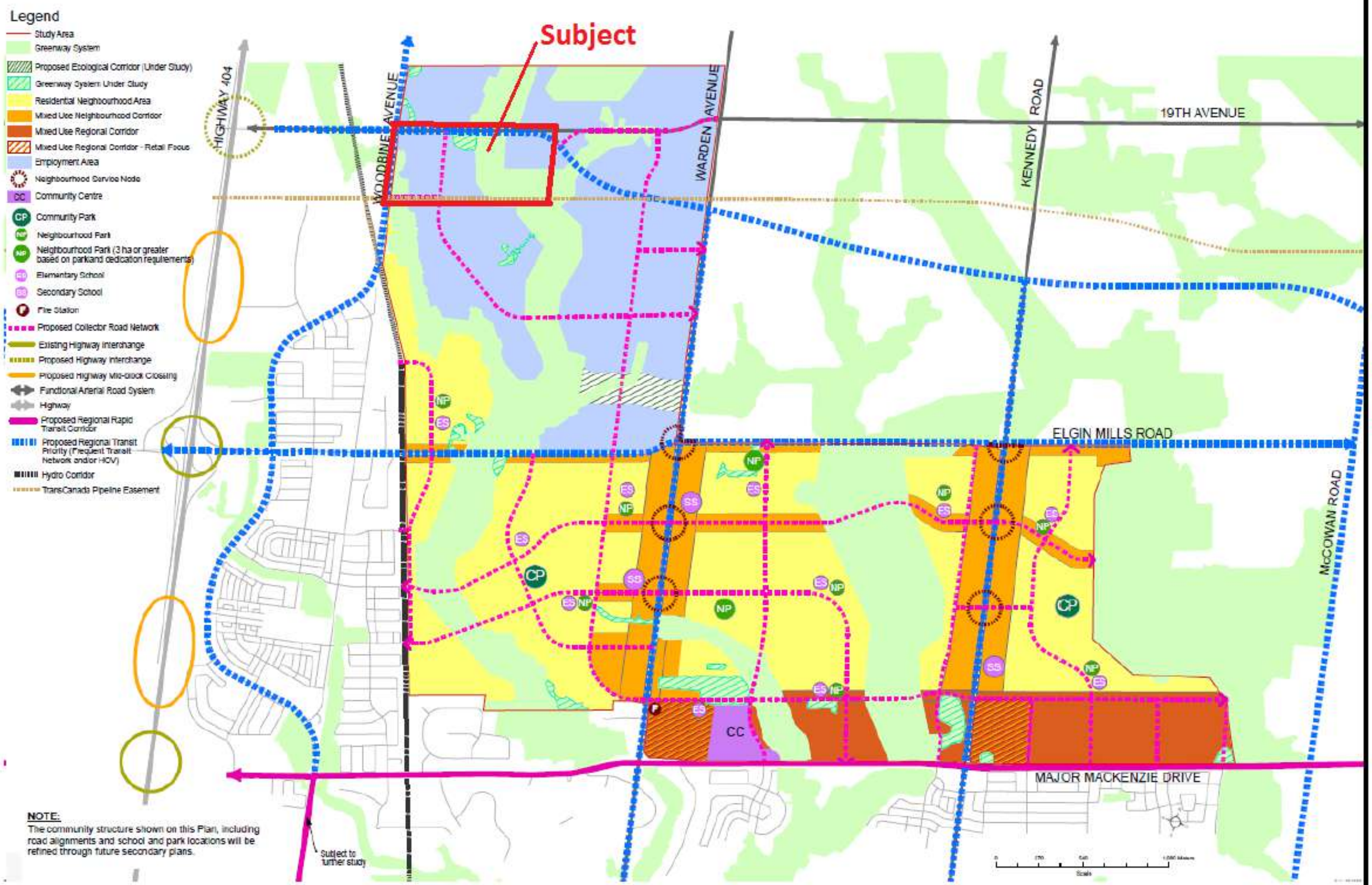
The CMP was informed by the findings of a number of City-led concurrent background studies, including a subwatershed study, master transportation, water and wastewater studies, and planning and urban design studies. After intensive analysis and consultation with agencies, landowners and the public over the course of four years, the CMP is completed.

The Community Structure Plan identifies structural land use categories, a high level transportation and servicing system, an open space system and major community facility requirements. The policy direction addresses the requirements for sustainable community development as identified in the York Region and Markham Official Plans, as well as provincial and regulatory agency requirements.

According to the Future Urban Area Conceptual Mater Plan (September 2017), the subject property is designated as “Employment Area” and “Greenway System”. In addition, Woodbine Avenue and Nineteenth Avenue (along which the subject property is fronting on) are designated as “Proposed Regional Transit Priority (Frequent Transit Network and/or HOV)”.

FIGURE 12

COMMUNITY STRUCTURE PLAN



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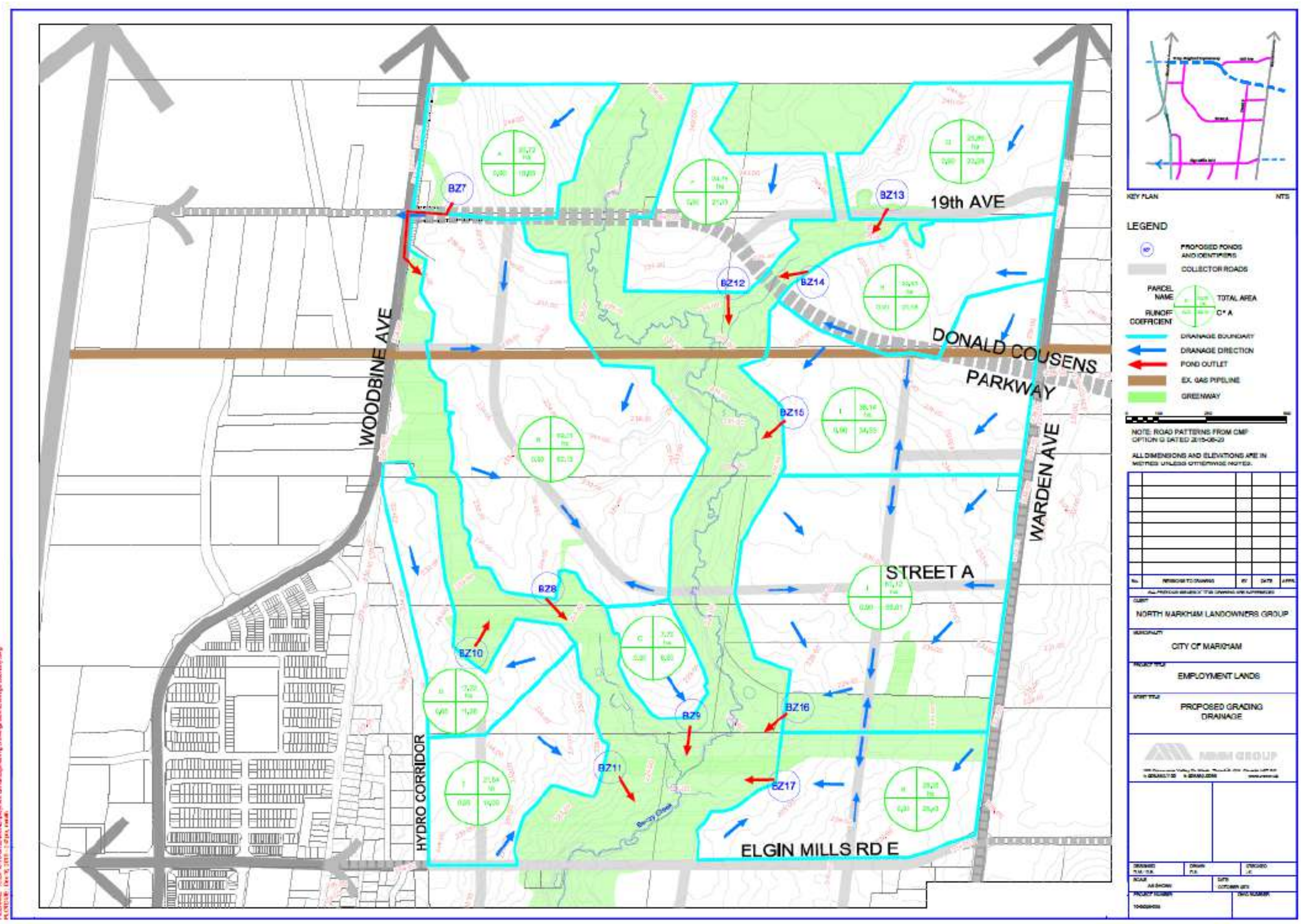
York Region Official Plan

An extension of the Donald Cousens Parkway from Highway 48 to Nineteenth Avenue near Woodbine Avenue has been proposed and identified in both the York Region Official Plan and Markham Official Plan. The exact location of this proposed extension is unknown as it is still at the planning stage pending an environmental assessment and other studies. However, conceptual alignment shown in the various official map in which the proposed extension is identified suggests that it might connect Nineteenth Avenue very close to the northeast corner of the subject property.

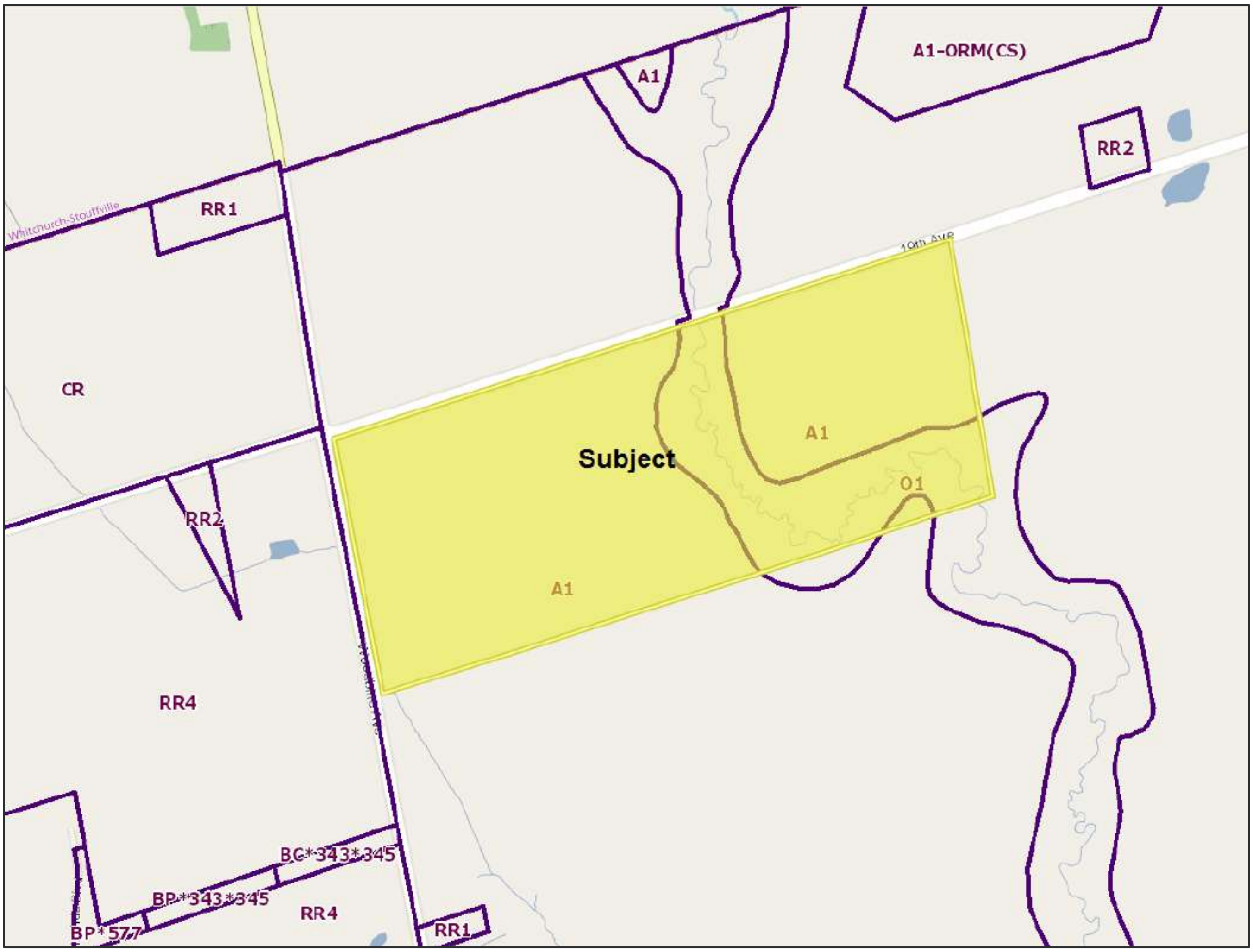
According to the York Region Transportation Master Plan Update that will serve as the “blueprint” for all major transportation initiatives in the Region through the year 2031, it is stated that road enhancements proposed for York Region include new interchanges. The Master Plan identifies a proposed Highway 404 and Nineteenth Avenue interchange, and suggests that the new interchange would be built within the next 6 years. The proposed interchange is only approximately two kilometres from the subject property and will provide the property with excellent access to Highway 404, which is one of the requirements to receive ‘Business Park Employment’ of ‘Business Park Office Priority Employment’ land use designation, and should significantly enhance the development potential of the subject property.



Zoning

The Zoning By-Law implements the Official Plan. It is a site-specific document that governs and controls the type and density of development on any given site.

The property is currently mostly zoned "Agriculture One (A1)" and partly zoned "Open Space One (O1)", according to By-Law No. 304-87 as amended. The current zoning is assumed to be rezoned upon proceeding with subject proposed mixed-use development, in accordance with the intent of the Conceptual Master Plan of north Markham Future Urban Area.



The existing zonings are assumed to be rezoned to facilitate the proposed mixed-use development.

We are not expert in the interpretation of planning policies and zoning regulations. The determination of planning and zoning compliance is beyond the scope of this appraisal. Opinions of planning and zoning consultants should be consulted, and confirmation from the municipal planning and zoning offices will be required for such compliance and specific details.

Highest and Best Use

Definition of Highest and Best Use

Fundamental to the concept of value is the principle of highest and best use, which is defined by Appraisal Institute of Canada as:

> *"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability."*

Highest and Best Use Criteria

We have evaluated the site's highest and best use as vacant, which must meet four criteria. That use must be (1) legally permissible, (2) physically possible, (3) financially feasible, and (4) maximally profitable.

Legally Permissible

The first test concerns permitted uses. As discussed in the previous section "Municipal Information", the subject property is designated "Future Employment Area/Greenway" under the official plan, and is currently zoned "Agriculture One (A1)/Open Space One (O1)". The current official plan designations and current zonings are assumed to be amended in the future to facilitate subject proposed mixed-use development, in accordance with the intent of the Conceptual Master Plan of north Markham Future Urban Area. Aside from the site's official plan and zoning regulations, we are not aware of any legal restrictions that limit the potential uses of the subject.

Physically Possible

The second test is what is physically possible. As discussed in the earlier section "Site Description", the site's size, shape, soil, topography, etc. do not appear to physically limit its use. The subject site is of adequate shape and size to accommodate almost all suburban uses. In addition, its proximity to Highway 404, arterial roads and suburban amenities would support future developments.

Financial Feasible

The third test is what is financially feasible. For a potential use to be seriously considered, it must have the potential to provide a sufficient return to attract investment capital over alternative forms of investment. A positive net income or acceptable rate of return would indicate that a use is financially feasible. As reported in the earlier section "Market Overview", the real estate market in the GTA remains active. Based upon market evidence of developments in the general market area, it is reasonable to conclude that most suburban uses would be financially feasible.

Maximally Profitable

The fourth test is what will produce the highest net return (or maximum profitability). Of the uses deemed to be financially feasible, that use which produces the highest estimated return to the land represents the highest and best use of the land. Based upon market evidence of general uses in the subject neighbourhood, it is reasonable to conclude that mixed-use development to the maximum building density is maximally profitable, when legally, socially, technically and economical viable.

Highest and Best Use of Site As Vacant

Considering the subject site's physical characteristics and location, as well as the state of the local market, it is our opinion that the Highest and Best Use of the subject property is short to medium term land holding pending development in accordance with the applicable official plan and zoning by-law, when legally, socially, technically and economical viable.

The property owner advised WZMH Architect has been retained to complete a concept master plan, undertake official plan review, draft site plan, draft official plan amendment and draft zoning applications regarding the proposed development of the subject property, with the objective to achieve a density of 2.5 times. We were further advised submission to the city is expected in six to twelve months.

Methods of Valuation

Methodology

There are two methods most commonly used for valuation of land: Direct Comparison Approach and Development (Land Residual) Approach.

Direct Comparison Approach

The Direct Comparison Approach is a valuation method in which sales of similar properties are analyzed and compared to the subject property. The assumption is that, if the subject had been exposed to the market, it would have been in competition with comparable properties, dealing with the same potential purchasers in the same market. Adjustments are made for factors such as time, location, lot size/shape, development potential/imminence, etc.

Development (Land Residual) Approach

The Development (Land Residual) Approach estimates market value based on the potential utility of the property, derived from the revenue which can be generated from the sales of serviced product, less all costs required to transfer the site from its raw state to a fully serviced and registered subdivision or approved building site. It will be a reliable valuation method where the land is capable of being developed immediately and sold quickly, so that development costs, sale prices and rate of sale can be estimated with reasonable certainty.

Summary

In this appraisal, we have used the Direct Comparison Approach only to estimate the market value of the subject property. It is the most common valuation approach used by market participants for the subject type of real estate.

In the absence of a draft approved development plan, detailed revenue and development cost estimates, and uncertainty of the development timeframe, the Development (Land Residual) Approach is considered speculative and unreliable. Therefore, we have not prepared the Development (Land Residual) Approach in this appraisal.

Direct Comparison Approach

Methodology

The Direct Comparison Approach is a means of valuing a property by comparison with similar properties that have been sold. The assumption is that if the subject property had been exposed to the market, it would have been in competition with the comparable property dealing with the same type of purchaser under similar market conditions. It is based on the “Principle of Substitution” which implies that a prudent purchaser will not pay more to buy a property than it will cost them to buy a comparable substitute property.

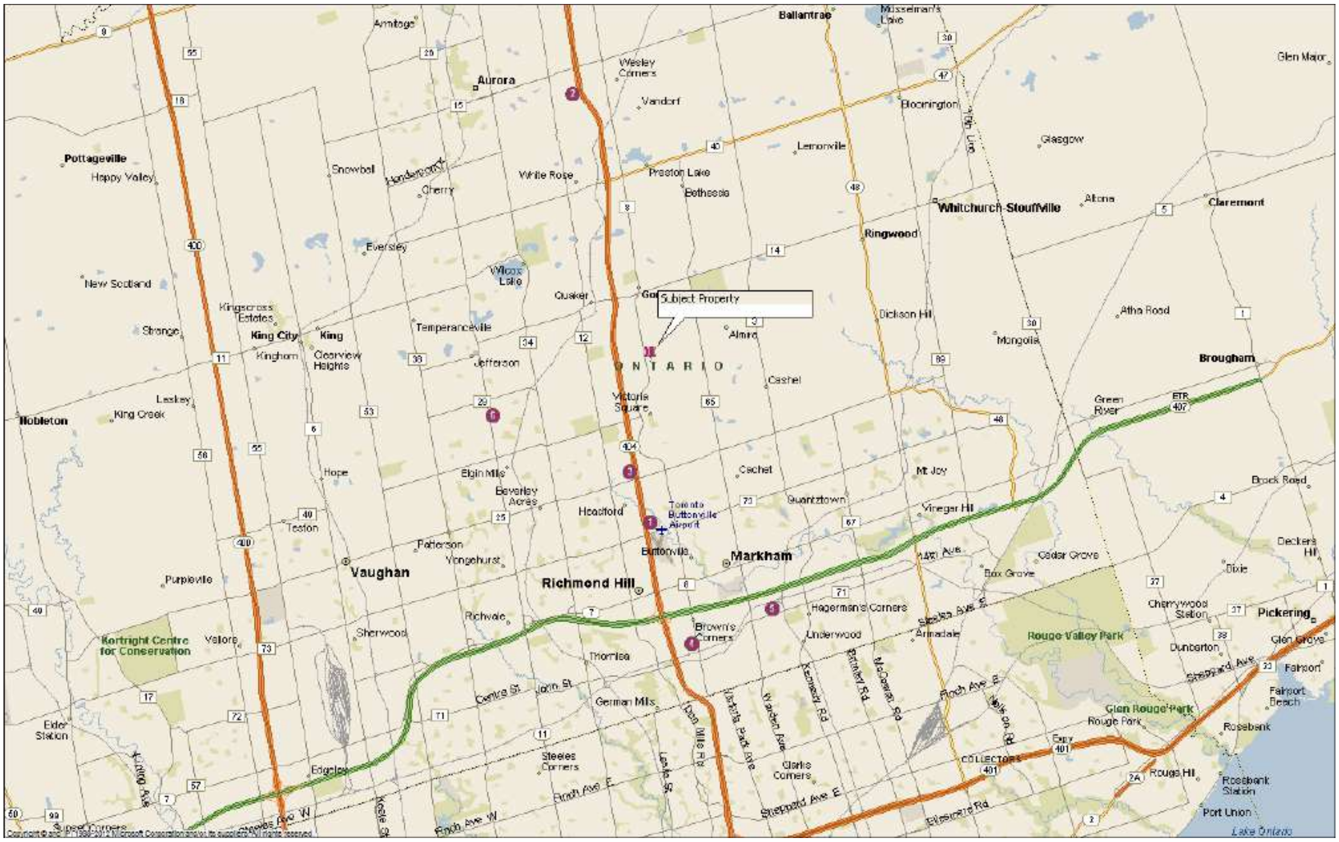
In this analysis, the unit of comparison is “price per square foot of potential buildable gross floor area”. *The subject property is assumed to be developed in four stages over 15 years for the purpose of this appraisal.*

Discussion of Comparable Sales

For the purpose of this valuation, we have conducted market research of comparable land sales in York Region. The comparable sales that we have considered are provided below, which show sale prices in the range from $34 to $74 per buildable square foot (with average of $54 per buildable square foot).

LAND SALE COMPARABLES								
Index	Date	Address	Municipality	Site Area (AC)	Proposed GFA (SF)	Density	Sale Price ($)	$/SF GFA
1	Jul-18	Cachet Woods Court	Markham	2.005	67,643	0.77	$3,196,000	$47
2	Jun-18	Eric T Smith Way	Aurora	11.440	131,173	0.26	$7,059,000	$54
3	Oct-17	50 Ultimate Drive	Richmond Hill	6.670	153,752	0.53	$5,169,250	$34
4	Dec-16	2875 Fourteenth Avenue	Markham	5.009	84,033	0.39	$4,671,250	$56
5	May-16	45 Birchmount Road	Markham	2.052	35,755	0.40	$2,180,000	$61
6	Mar-16	11305 Yonge Street	Richmond Hill	1.891	70,293	0.85	$5,200,000	$74
			Low	1.891	35,755	0.26	$2,180,000	$34
			High	11.440	153,752	0.85	$7,059,000	$74
			Average	4.845	90,442	0.53	$4,579,250	$54

Location Map of Comparables



Index 1

This office land is located on Cacheet Woods Court at the northeast quadrant of the interchange of Highway 404/ Sixteenth Avenue in Markham. It has Highway 404 exposure. The location is superior to the subject property. The land is generally flat and level, and basically rectangular in shape. It is zoned “Selected Industrial with Limited Commercial”. At the time of sale, the property was vacant and unimproved. Application was submitted in July 2018 for the development of a three-storey office building. Development scale is smaller, and development imminence is deemed comparable to the subject. The vendor is Ideal Developments, and the purchaser is Howland Green Centre Ltd. The sale price was paid all in cash.

Index 2

This hotel/office land is located at the cul-de-sac of Eric T Smith Way on the west side of Highway 404 to the south of Wellington Street East in Aurora. . It has Highway 404 exposure. The location overall is comparable to the subject property. The land is generally flat and level, and irregular in shape. It is zoned "Business Park". At the time of sale, the property was vacant and unimproved. Application was submitted in April and June 2018 for the development of a six-storey 110-suite hotel (71,173 sf) and a single-storey office building (60,000 sf). Development scale is smaller, and development imminence is deemed comparable to the subject. The vendor is The Corporation of the Town of Aurora, and the purchaser is Gottardo Group. The sale price was paid all in cash.

Index 3

This commercial/industrial land is located at the northwest of the interchange of Highway 404/Major Mackenzie Drive East in Richmond Hill. The location is superior to the subject property. The land is generally flat and level, and somewhat irregular (but basically rectangular) in shape. It is zoned "High Performance Commercial/Industrial". At the time of sale, the property was vacant and unimproved. Application was submitted in January 2018 for the development of warehouse with ancillary office space. Development scale is smaller, and development imminence is deemed comparable to the subject. The vendor is KingSett Capital, and the purchaser is 2583185 Ontario Inc. The sale price was paid all in cash.

Index 4

This commercial/industrial land is located on the south side of Fourteenth Avenue just west of Woodbine Avenue in Markham. The location is superior to the subject property. The land is generally flat and level, and elongated and deep in shape. It is zoned "Selected Industrial with Limited Commercial". At the time of sale, the property was vacant and unimproved. No application had been submitted for the development of the property. It was reported the purchaser had acquired the property in order to construct one industrial/office development. Development scale is smaller, and development imminence is deemed inferior to the subject. The vendor is North-Con Development Ltd., and the purchaser is 14th Avenue Investments Inc. The sale price was paid all in cash.

Index 5

This commercial land is located on the east side of Birchmount Road just north of Fourteenth Avenue in Markham. The location is superior to the subject property. The land is generally flat and level, and rectangular in shape. It is zoned "Selected Industrial with Limited Commercial". At the time of sale, the property was vacant and unimproved. No application had been submitted for the development of the property. It was reported the existing zoning permits a maximum gross floor area of approximately 35,755 square feet. Development scale is smaller, and development imminence is deemed inferior to the subject. The vendor is Vestland Developments Limited, and the purchaser is 1921718 Ontario Inc. The sale price was paid all in cash.

Index 6

This office land is located on the east side of Yonge Street to the south of Nineteenth Avenue in Richmond Hill. The location is superior to the subject property. The land is generally flat and level, and rectangular in shape. It is zoned "Residential Multi Family". At the time of sale, the property was vacant and unimproved. Application was submitted in January 2012 for the development of a six-storey office commercial building. Development scale is smaller, and development imminence is deemed comparable to the subject. The vendor is P.A.C.I.F.I.C. Inc., and the purchaser is Compten Management Inc. The sale prices were paid all in cash.

Adjustment Process

Since no two properties are completely alike, adjustments must be made to compensate for differences between the comparable sales and the subject property. The major elements of comparison for an analysis of the subject type of property include:

- property rights conveyed
- conditions or motivations surrounding the sale
- financial terms of the transaction
- changes in market conditions since the sale
- location of the real estate
- development type
- development scale
- development imminence
- physical characteristics of the property (including shape and topography, etc.)

Downward adjustment will be made to those comparables considered superior to the subject. Conversely, upward adjustment will be made to those comparables considered to be inferior.

Property Rights Conveyed

All comparable sales involved transfer of the fee simple interest, and therefore no adjustment is required.

Conditions of Sale

Conditions of sale usually reflect the motivations of the buyer and the seller. In some situations, the conditions of sale may significantly affect transaction prices. All comparable sales are considered to be "arms-length" market transactions between knowledgeable buyers and sellers on the open market. Therefore, no adjustment is required for conditions of the sale.

Financial Terms

The purchase price of all comparables was paid all in cash, and no adjustment is required for any favourable financial terms.

Market Conditions

The comparable sales dated between March 2016 and July 2018. Property market conditions have generally improved since March 2016 up to the effective date of valuation. Therefore, upward adjustment for time is suggested all comparables.

Location

All comparables, except Index 2, required downward adjustment for superior location.

Development Type

Indexes 3, 4 and 5 required upward adjustment for inferior development type of expected industrial/office use.

Development Scale

All comparables required downward adjustment for smaller development scale than the subject proposed development.

Development Imminence

Indexes 4 and 5 required upward adjustment for deemed inferior development imminence to the subject property.

Physical Characteristics

- The shape of a land parcel affects the layout of the proposed development. In the respect, Indexes 2 and 4 required upward adjustment for inferior site shape to the subject property.
- Adjustment for topography is applied for the dissimilarities in terrain, drainage, slope and other topographical features. Variances in topography will have costly effect at the time of initial development of a site. These costs are associated with grading and leveling, bringing in fill dirt, removal of excess earth, designing of building footprints to accommodate the terrain, and design of adequate drainage. In this respect, no adjustment is suggested to all comparables.

A summary of adjustments is provided on the next page.

SUMMARY OF ADJUSTMENTS						
Comparable ($/Buildable SF)	**Index 1 ($47)**	**Index 2 ($54)**	**Index 3 ($34)**	**Index 4 ($56)**	**Index 5 ($61)**	**Index 6 ($74)**
Property Rights	Fee simple (none)	Fee simple (none)	Fee simple (none)	Fee simple (none)	Fee simple (none)	Fee simple (none)
Conditions of Sale	Market (none)	Market (none)	Market (none)	Market (none)	Market (none)	Market (none)
Financing	Cash (none)	Cash (none)	Cash (none)	Cash (none)	Cash (none)	Cash (none)
Date of Sale	Jul-18 (upward)	Jun-18 (upward)	Oct-17 (upward)	Dec-16 (upward)	May-16 (upward)	May-16 (upward)
Location	Superior (downward)	Comparable (none)	Superior (downward)	Superior (downward)	Superior (downward)	Superior (downward)
Development Type	Comparable (none)	Comparable (none)	Inferior (upward)	Inferior (upward)	Inferior (upward)	Comparable (none)
Development Scale	Smaller (downward)	Smaller (downward)	Smaller (downward)	Smaller (downward)	Smaller (downward)	Smaller (downward)
Development Imminence	Comparable (none)	Comparable (none)	Comparable (none)	Inferior (upward)	Inferior (upward)	Comparable (none)
Shape	Comparable (none)	Inferior (upward)	Comparable (none)	Inferior (upward)	Comparable (none)	Comparable (none)
Topography	Comparable (none)	Comparable (none)	Comparable (none)	Comparable (none)	Comparable (none)	Comparable (none)
Overall Comparability	Superior	Inferior	Inferior	Comparable	Comparable	Superior

Conclusion

After the necessary adjustments, we consider the subject property will command a market value in the range from $52 to $58, or at the mid-point of $55 per square foot of potential buildable gross floor area.

Discount Rate

Taking into the large scale of the subject proposed development, it is assumed to be developed in four stages over 15 years for the purpose of this appraisal. It is assumed Phases 1 and 2 will be developed each with 1,000,000 square feet, and Phases 3 and 4 will be developed each with 1,250,000 square feet, and assuming each development phase will start at five-year intervals.

The discount rate is a compound interest rate that is used to convert expected future value and cash flows into a present value estimate. In appraisal practice, the discount rate is the competitive rate of return applicable to the interest and cash flows analyzed. The rate is related to longer-term alternative investments such as bonds, plus a premium to reflect the risk associated with real estate investment.

According to *Altus InSite Investment Trends Survey*, the latest Internal Rate of Return (IRR) for various property types in Toronto are provided below.

VALUATION PARAMETERS – TORONTO		
PROPERTY TYPE	**QUARTER**	**IRR**
Power Centre	Q3-2018	6.3%
Enclosed Community Mall	Q4-2018	7.0%
Single Tenant Retail	Q3-2018	5.9%
Suburban Class “A” Office	Q3-2018	6.7%
Suburban Class “B” Office	Q1-2018	7.0%
Multi-Tenant Industrial	Q4-2018	5.9%
Single-Tenant Industrial	Q4-2018	5.7%
Suburban Multiple Unit Residential	Q4-2018	5.1%

The latest discount rates (IRR) for the various benchmark properties fall within the range from 5.1% to 7.0%. Taking into account the prevailing economic and property market conditions, and the risks associated with development lands, it is considered a higher discount rate in the range from 7.50% to 8.50%, or at the mid-point of 8.00%, is reasonable to be applied to the subject proposed development in this analysis.

Direct Comparison Approach Conclusion

Based on the above discussion, we conclude the market value of the subject property by the Direct Comparison Approach, subject to the extraordinary assumptions, hypothetical conditions, assumptions, limiting conditions, certifications and definitions contained herein, as of the effective date of valuation, was:

DIRECT COMPARISON APPROACH		
Phase 1		
Potential Buildable Gross Floor Area (Square Feet)	1,000,000	
Concluded Value Per Square Foot	X $ 55	$ 55,000,000
Phase 2		
Potential Buildable Gross Floor Area (Square Feet)	1,000,000	
Concluded Value Per Square Foot	X $ 55	
	$ 55,000,000	
Discount @ 8.00% for 5 years	0.6806	$ 37,433,000
Phase 3		
Potential Buildable Gross Floor Area (Square Feet)	1,250,000	
Concluded Value Per Square Foot	X $ 55	
	$ 68,750,000	
Discount @ 8.00% for 10 years	0.4632	$ 31,845,000
Phase 4		
Potential Buildable Gross Floor Area (Square Feet)	1,250,000	
Concluded Value Per Square Foot	X $ 55	
	$ 68,750,000	
Discount @ 8.00% for 15 years	0.3152	$ 21,670,000
Indicated Value		$ 145,948,000
Rounded (nearest $500,000)		**$ 146,000,000**

The appraisal employs the following extraordinary assumptions with hypothetical conditions:

- *The subject proposed mixed-use development will obtain municipal approval and market conditions remain stable from the effective date of valuation to the approval date of the development.*
- *The projected potential buildable gross floor area of approximately 4,500,000 square feet is achievable, and will be developed in four stages over 15 years for the purpose of this appraisal.*
- *No soil test, geotechnical study or environmental site assessment, etc. are completed for the subject property. In addition, infrastructure such as road, water, sewage, utilities, municipal services, etc. are not currently available for the proposed development. The subject property is evaluated on the assumption that it will be physically and technically viable for the proposed development, and additional costs of site assessment and infrastructure provision will be required.*

If the above extraordinary assumptions with hypothetical conditions are proven incorrect, there will be an impact on the estimated value and we reserve the right to re-assess the final value of the property.

In this appraisal, the estimated value is predicated on a reasonable exposure time of nine (9) to twelve (12) months.

Addenda Contents

Addendum A: Official Plan – Sections 8.5 and 8.6

8.5 EMPLOYMENT LANDS

Section 8.5 Preamble subject to and Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19),and 15 (Issue 122)

Markham's 'Employment Lands' are vital to the City's economic well-being as these lands are specifically required to accommodate forecast office and industrial employment and are the areas in which many of the major drivers of economic activity take place within Markham. These lands are diverse in character and history, and this diversity is captured in four land use designations, each with a particular planned function, use provisions, development criteria and standards. The five designations are: 'Business Park Employment', 'Business Park Office Priority Employment', 'Service Employment', 'General Employment' and 'Future Employment Area'. The 'Future Employment Area' lands will be redesginated to one of the other 'Employment Lands' through the approval of secondary plans for the 'Future Urban Area' lands.

Markham's 'Employment Lands' are vital to the City's economic well-being as these lands are specifically required to accommodate forecast office and industrial employment and are the areas in which many of the major drivers of economic activity take place within Markham.

The 'Business Park Employment' designation primarily applies to lands located in the Highway 404 corridor between Highway 407 and Markham's northern boundary. Other 'Business Park Employment' lands are located within Markham Centre, Cornell Centre and along Warden Avenue, 14th Avenue and Steeles Avenue. These areas are currently, or are planned to become, high-profile employment areas and are the site of offices and a range of prestige industrial buildings displaying high design.

As Markham continues to grow, much of the new major office development will be established on lands designated 'Business Park Office Priority Employment' in locations that are, or will be, served by rapid transit. A major concentration of 'Business Park Office Priority Employment' lands is located at the intersection of Highway 404 and Highway 7, between Woodbine Avenue and Bayview Avenue. It is within these designated 'Business Park Office Priority Employment' areas that Markham will encourage the development of multi-storey office buildings and the *redevelopment* of existing industrial sites to office uses. Structured and underground parking will support higher employment densities in these areas.

Lands designated 'Service Employment' are intended to accommodate uses that serve and support other business uses and employees. The 'Service Employment' designation also applies to lands in older employment areas that have been transitioning for several years from industrial and warehousing uses to small-scale office and service employment uses. Service employment uses typically do not require large amounts of floor space and are suited to locations in shared multiple unit buildings. These uses provide goods and services to the businesses in Markham's employment areas, but may also serve resident needs. In some areas, a cluster of complementary service employment uses has been established. These 'Service Employment' areas are located throughout Markham and have evolved into areas that provide locations for the widest variety of business uses in multiple building types and tenures.

Section 8.5 Preamble subject to and Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19),and 15 (Issue 122)

The 'General Employment' designation primarily applies to lands east of Highway 404 and south of Highway 407 that have long been established for primarily industrial and warehousing uses. This 'General Employment' area extends eastwards from Warden Avenue along the north side of 14th Avenue. Another 'General Employment' area is located on both sides of 14th Avenue between McCowan Road and Markham Road. In addition to the industrial and warehousing uses established in these areas, a number of service uses serving the businesses in the area also exist. Given that new office development is to occur primarily on 'Business Park Employment' and 'Business Park Office Priority Employment' lands, the 'General Employment' designation has been applied to lands intended to accommodate established and new industrial and warehouse uses.

Cumulatively, lands within the 'Employment Lands' designations provide for and are intended to accommodate specific types of employment uses, including industrial uses involving manufacturing, processing and warehousing. These uses are integral to Markham's economy and many also contribute to the operation of other local businesses. Other land uses, that may be sensitive to one or more adverse effects from noise, odour and contaminant discharges, incidental to the normal operation of permitted industrial uses, may be restricted from locating on, or in the vicinity of industrial uses in any 'Employment Lands' designation, to minimize their impacts on the viability of surrounding employment lands or industrial uses.

An application for *development approval* on 'Employment Lands' shall have regard for the policies contained in the applicable 'Employment Lands' designation as well as the general employment policies contained in Section 8.5.1 of this Plan. In considering a specific development application to approve a *sensitive land use*, Council shall be satisfied that the introduction of the use will not adversely impact the viability of surrounding employment lands or industrial uses, and that the potential sensitivity will be satisfactorily mitigated as a condition of approving the *sensitive land use*.

8.5.1 General Policies

It is the policy of Council:

8.5.1.1 **On 'Employment Lands'** to:

a) enhance the role of Markham as a major employment centre and

primary office location within York Region accommodating a significant share of forecast Regional employment growth;
b) provide for a range of employment uses at appropriate locations that contribute to the creation of *complete communities*;
c) protect and preserve 'Employment Lands' from land uses that may affect the continued viability of existing employment uses and their expansion in the future;
d) ensure that new development is compatible with the character and pattern of adjacent and surrounding development;
e) encourage a high quality of urban design;
f) promote sustainable development practices;
g) improve the pedestrian experience; and
h) improve access to transit services.

Sections 8.5.1 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), 15 (Issue 122) and 19 (Issue 129, 258, 259, 260)

Sensitive Land Use Policies

8.5.1.2 a) **That** in considering a site-specific zoning by-law amendment application to permit a *sensitive land use*, the following conditions shall be met:
   i. a *sensitive land use compatibility study* shall be prepared by the proponent to the satisfaction of Markham, including any required peer review, in addition to any other required studies or supporting documentation; and
   ii. notice shall be circulated to landowners within 1,000 metres of the proposed *sensitive land use*, in accordance with the alternative notice provisions in Section 10.7.3.

b) **That** in considering a site-specific zoning by-law amendment application to permit a *sensitive land use*, Council shall be satisfied that:
   i. the introduction of the *sensitive land use* will not negatively impact the viability of surrounding employment lands or industrial uses; and
   ii. the potential adverse effects of the existing or planned uses in the area on the *sensitive land use* will be satisfactorily mitigated as a condition of approval.

Discretionary Land Uses

8.5.1.3 **That** the *discretionary uses* identified within the 'Commercial' designation and each of the 'Employment Lands' designations, shall only be approved subject to a review of a site-specific development application for zoning approval. In reviewing the zoning by-law amendment application, the following matters shall be addressed:
a) the conformity of the proposed built form and scale with the planned function and policies of the land use designation;
b) the appropriateness of the site for the proposed use from a traffic impact perspective;
c) the criteria established in the policies for each land use designation and whether all of the criteria can be met;
d) the compatibility of the proposed use with other existing uses on the same lot and on adjacent lands including compatibility related to

sensitive land uses;

e) the means by which anticipated impacts, if any, are to be measured and mitigated;

f) the specific use provisions in Section 8.13; and

g) the *sensitive land use* provisions of Section 8.5.1.2.

Employment Lands Conversion Policies

8.5.1.4 That an application for the conversion of lands within an 'Employment Lands' designation as described in Section 5.1.2.4 a) shall only be considered as part of a *municipal comprehensive review* as provided for in Section 5.1.2.4 b) and 5.1.2.5.

Sections 8.5.1 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), a15 (Issue 122) nd 19 (Issue 129, 258, 259, 260)

Buttonville Airport Redevelopment Area

8.5.1.5 That Markham will prepare a new secondary plan for the Buttonville West lands in the vicinity of Toronto Buttonville Municipal Airport as shown on Appendix F – Secondary Plan Areas, and shown in outline with an asterisk on Map 3 – Land Use, that will incorporate policies for future land use in accordance with Section 7.2.89 of the Regional Official Plan.

Development Criteria that apply to all Employment Lands Designations

8.5.1.6 In considering an application for *development approval* on 'Employment Lands', Council shall ensure that development has regard for the Urban Design and Sustainable Development policies outlined in Chapter 6 of this Plan and adheres to the development criteria outlined below, in addition to the criteria contained within each 'Employment Lands' designation:

a) buildings shall be sited in a manner that would accommodate expansion of buildings and/or the introduction of new buildings in the future;

b) buildings shall be designed to enhance pedestrian safety and comfort by providing for appropriate microclimatic conditions including:
   i. sunlight access between the Spring and the Fall equinox, particularly on the north, east and west pedestrian zones along arterial and collector roads; and
   ii. measures to mitigate wind conditions at the street level and in parks and open spaces;

c) the design of the site and the building shall contribute to a safe, comfortable and attractive pedestrian environment that is linked to a system of pedestrian routes providing direct connections to existing or planned transit services;

d) the quality of the public and private realm is in conformity with and reflects the planned function of the land use designation;

e) new buildings shall exhibit an appropriate interface, including a transition in height and massing, with existing buildings in adjacent areas;

f) the tower portion of buildings shall provide for adequate separation to achieve light, view and privacy;

g) buildings shall be located close to the street edge in attractively landscaped settings;

h) buildings shall be sited in a manner that facilitates truck movements and loading;

i) vehicular access points from arterial or collector roads shall be coordinated and consolidated;
j) parking should be generally located at the side or rear of buildings, or below grade, in accordance with Section 6.1.8.7, and will be designed to provide convenient access to retail and service uses;
k) loading and parking facilities should be buffered so as to reduce the impacts on lands adjacent to residential uses;
l) buildings that are adjacent to areas designated for low rise development shall be designed to respect an angular plane measured from the boundary of the designation in which the low-rise building is located in accordance with Sections 6.1.8.9 and 6.1.8.10; and
m) landscaped buffers shall be provided adjacent to residential uses.

Sections 8.5.1 and 8.5.2 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), 15 (Issue 122) and 19 (Issue 129, 258, 259, 260)

8.5.2 Business Park Employment

Land designated 'Business Park Employment' are to be planned and developed for prestige industrial and office development, frequently in larger scale buildings located on large properties. Industrial buildings will generally be single storey and may be in single use or multiple unit buildings. It is the intent of this Plan that business park areas provide prime business locations that help attract new business and support the retention of existing businesses in Markham.

The 'Business Park Employment' designation applies to lands primarily adjoining 400 series highways that are served by arterial roads that provide visibility and excellent access. Frequent transit service is available to Business Park areas on the adjoining arterial roads. Roads, cycling and pedestrian systems within these areas shall be designed to facilitate enhanced access to transit services in the future as Markham continues to grow.

The range of uses provided for is limited to 'Business Park Employment' type uses, and the development standards and criteria in this designation are intended to support consistent, high quality building and site design. The intended uses and larger scale development benefit from access to both major roads and transit routes. Accessory uses and *ancillary uses* will be strictly controlled and limited to those that support the primary office and industrial uses.

It is the policy of Council:

Planned Function

'Business Park Employment' areas are currently, or are planned to become, high-profile employment areas and are the site of offices and a range of prestige industrial buildings.

8.5.2.1 On lands designated 'Business Park Employment' to:

a) provide strategic locations planned and developed for prestige, larger scale, industrial and office development in business park settings offering high visibility and excellent access to 400 series highways, arterial roads and transit services;
b) provide accommodation in prime locations attractive to existing and future businesses seeking a setting with a specific range of compatible land uses characterized by high quality site development and building

forms;

c) restrict accessory uses and *ancillary uses* to those that directly support the primary office and industrial uses of this designation; and
d) restrict the introduction of new *sensitive land uses* to minimize impacts on the viability of permitted uses.

Uses

8.5.2.2 **To provide** for the following uses, in addition to the uses listed in Section 8.1.1, on lands designated 'Business Park Employment':

a) office;
b) manufacturing, processing and warehousing use with no accessory outdoor storage;
c) hotel that does not include dwelling units;
d) trade and convention centre;
e) commercial parking garage;
f) retail, and/or service use that is accessory to the primary manufacturing, processing or warehousing use, and located in the same premise as the primary use, provided the area devoted to the accessory use does not exceed 500 square metres of gross floor area, or a maximum of 15 percent of the gross floor area devoted to the primary use, whichever is less;
g) *ancillary use* such as retail, service, restaurant, and sports and fitness recreation use within an industrial building, provided that:
   i. all *ancillary uses* and accessory uses are located only on the ground floor of the building; and
   ii. the combined gross floor area devoted to all *ancillary uses*, and to all accessory uses described in 8.5.2.2 f), is limited to a maximum of 15 percent of the total gross floor area of the building.
h) *ancillary use* such as retail, service, restaurant, sports and fitness recreation use or financial institution within a non-industrial building provided that:
   i. the combined gross floor area devoted to all *ancillary uses* is limited to a maximum of 15 percent of the total gross floor area of the building, or in the case of an office building the total gross floor area of the ground floor, whichever is less; and
   ii. access to the premises of all ancillary uses is integrated within the building.

8.5.2.3 **To provide** for the following *discretionary uses*, in addition to the uses provided for above, on lands designated 'Business Park Employment', subject to review of a site-specific development application for zoning approval, and in accordance with Sections 8.5.1.2 and 8.5.1.3 and any conditions identified below:

a) banquet hall and/or night club provided it is integrated within a hotel or trade and convention centre and meets the provisions of Section 8.5.2.2 h);
b) community college or university;
c) *day care centre* in accordance with Section 8.13.2, provided it is located within an office building;
d) *trade school* and commercial school, wholly located within a building;

Section 8.5.2 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), 15 (Issue 122) and 19 (Issue 129, 258, 259, 260)

e) manufacturing, processing and warehousing with accessory outdoor storage in accordance with Section 8.13.6; and
f) motor vehicle service station in accordance with Section 8.13.5, and provided not more than one service station is located at an intersection.

Section 8.5.2 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), 15 (Issue 122) and 19 (Issue 129, 258, 259, 260)

8.5.2.4 **To not permit** the following uses on lands designated 'Business Park Employment':
a) funeral establishment;
b) commercial storage facility;
c) motor vehicle use not identified in Sections 8.5.2.2 and 8.5.2.3;
d) *private club*;
e) *private school*;
f) *place of worship*; and
g) adult entertainment.

Building Types and Heights

8.5.2.5 **To provide** for single or multiple unit non-residential buildings with one or more storeys with a maximum building height specified in the implementing zoning by-law on lands designated 'Business Park Employment'.

Development Criteria

8.5.2.6 **In considering** an application for *development approval* on lands designated 'Business Park Employment', Council shall ensure that development adheres to the development criteria outlined below, in addition to the criteria contained in Section 8.5.1.6:
a) on sites generally larger than one hectare, or where otherwise considered appropriate, a *comprehensive block plan* may be prepared in accordance with Section 10.1.4 of this Plan;
b) new multi-storey buildings shall be sited to achieve a continuous and consistent relationship to adjoining public streets;
c) buildings with the greatest density and height should be directed to locations along arterial roads and transit services.

8.5.3 Business Park Office Priority Employment

Section 8.5.3 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19) and 15 (Issue 122)

It is the intent of this Plan that lands designated 'Business Park Office Priority Employment', should be reserved and used for major office development, and that existing industrial development on these lands will be complemented and/or replaced with office development over the long term. New office development is intended to be multi-storey and may include associated parking structures.

Lands designated 'Business Park Office Priority Employment' are located within the Centres and Corridors, as shown on Map 2 – Centres and Corridors and Transit Network, and may also adjoin 400 series highways. These lands offer highly visible locations and access to existing or planned Regional Rapid Transit Corridors.

Land use provisions and development standards in 'Business Park Office Priority Employment' areas will promote and support new major office development and higher order educational institutions and emphasize access to rapid transit service. Accessory uses and *ancillary* uses will be strictly controlled and limited to those that directly support the primary office and higher order educational uses to be accommodated.

Section 8.5.3 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19) and 15 (Issue 122)

It is the policy of Council:

Planned Function

8.5.3.1 **On lands** designated 'Business Park Office Priority Employment' to:

a) recognize and reserve strategic locations and assign them priority for the clustering of higher density prestige office development in business park settings with excellent access to 400 series highways, arterial roads and rapid transit services;
b) provide for the phased development of new prestige office development, in multi-storey buildings with associated parking structures, to complement or replace existing industrial buildings over time;
c) provide accommodation for businesses and higher order educational institutions seeking locations with other compatible land uses characterized by high quality site development and building forms; and
d) restrict accessory uses and *ancillary uses* to those that directly support the primary uses of this designation.

It is intended that 'Business Park Office Priority Employment' areas should be reserved and used for major office development, and that existing industrial development on these lands will be complemented and/or replaced with office development over the long term.

Uses

8.5.3.2 **To provide** for the following uses, in addition to the uses listed in Section 8.1.1, on lands designated 'Business Park Office Priority Employment':

a) uses listed in Sections 8.5.2.2 a), e), f), g), h); and
b) community college or university.

8.5.3.3 **To provide** for the following *discretionary uses*, in addition to the uses provided for above, on lands designated 'Business Park Office Priority Employment', subject to review of a site-specific development application for zoning approval, and in accordance with Sections 8.5.1.2 and 8.5.1.3 and any conditions outlined below:

a) *day care centre* in accordance with Section 8.13.2 located within an office building; and
b) *trade school* and commercial school, wholly located within a building.

8.5.3.4 **To not permit** the following uses on lands designated 'Business Park Office Priority Employment':

a) manufacturing, processing or warehousing use;
b) hotel;
c) trade and convention centre;
d) funeral establishment;
e) commercial storage facility;
f) motor vehicle use;
g) *private school*;
h) *place of worship*;

i) *private club*; and
j) adult entertainment.

Building Types and Heights

8.5.3.5 **To provide** for multi-storey buildings, with a minimum building height of 3 storeys with a maximum building height specified in the implementing zoning by-law, on lands designated 'Business Park Office Priority Employment'.

Development Criteria

8.5.3.6 **In considering** an application for *development approval* on lands designated 'Business Park Office Priority Employment', Council shall ensure that development adheres to the development criteria outlined below, in addition to the criteria contained in Section 8.5.1.6:

a) on sites generally larger than one hectare, or where otherwise considered appropriate, a *comprehensive block plan* may be prepared in accordance with Section 10.1.4 of this Plan;
b) new multi-storey buildings shall be sited to achieve a continuous and consistent relationship to adjoining public streets;
c) buildings with the greatest density and height shall be directed to locations along arterial roads and rapid transit services, and in particular transit stops.

Sections 8.5.3 and 8.5.4 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19) and 15 (Issue 122)

8.5.4 Service Employment

The 'Service Employment' designation applies to lands that are planned and developed for service and retail uses together with light industrial and warehousing and small office uses that are dispersed within an overall mix of uses. Service employment uses are generally located within a variety of configurations and building forms such as single and multi-storey buildings that are modest in scale.

The 'Service Employment' designation applies to lands located along arterial or collector roads that are easily accessible to nearby businesses and in some cases adjacent to 'Residential' areas, and to lands in older developed industrial areas that have evolved to accommodate a wider range of uses. The corridor locations typically adjoin and are accessible from the larger established employment areas that they serve. Many of the 'Service Employment' areas are located near or on rail corridors.

Lands designated 'Service Employment' are intended to accommodate uses that serve and support other business uses and employees in Markham, but that are not provided for in other 'Employment Lands'. Some of these uses may also serve residents, and therefore benefit from their transit accessible corridor locations or proximity to 'Residential' areas. It is the intent of this Plan that the introduction of potentially *sensitive land uses* in these areas be restricted and monitored to minimize conflicts and protect adjacent industrial and warehouse uses from incompatible development.

It is the policy of Council:

Section 8.5.4 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19) and 15 (Issue 122)

Planned Function

8.5.4.1 On lands designated 'Service Employment' to:

a) provide locations, planned and developed for a range of employment uses, including light industrial and warehousing, office, small-scale retail and service uses serving and supportive of other business uses and employees in Markham, and that may also serve the general public;
b) provide for *ancillary uses* serving businesses and employees located within 'Employment Lands' designations;
c) incorporate lands accommodating complementary services, located on arterial and major collector road corridors adjoining and accessible from the established employment areas that they serve, or in evolving older industrial areas accessible to the business community;
d) accommodate a variety of modestly scaled building forms and configurations supportive of the intended range of business activity; and
e) restrict the introduction of new *sensitive land uses* to minimize the impacts on the viability of permitted industrial and warehouse uses located on adjacent 'Employment Lands'.

Uses

8.5.4.2 To provide for the following uses, in addition to the uses listed in Section 8.1.1, on lands designated 'Service Employment':

a) service;
b) office;
c) financial institution;
d) manufacturing, processing and warehousing use, with no accessory outdoor display or outdoor storage;
e) motor vehicle body shop or repair facility with no accessory outdoor storage;
f) retail use provided:
   i. - the retail use is not greater than 1,000 square metres of gross floor area per premises, unless the retail use is an office supply or computer supply store which may have up to 3,000 square metres of gross floor area per premises; or
      - within a multiple-unit building, the provisions of the first item of f) i. above are complied with, and the combined gross floor area devoted to all retail uses, including accessory retail uses, is limited to a maximum of either 50 percent of the total gross floor area of the building, or 3,000 square metres, whichever is less; and
   ii. the total gross floor area devoted to all retail uses on a property does not exceed 3,000 square metres.
g) retail and/or service use that is accessory to a primary manufacturing, processing or warehousing use, and located within the same premise as the primary use provided the provisions of Section 8.5.4.2 f) are met;
h) *trade school*;
i) commercial school;

j) commercial parking garage; and
k) hotel that does not include dwelling units.

Section 8.5.4 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19) and 15 (Issue 122)

8.5.4.3 **To provide** for the following *discretionary uses*, in addition to the uses provided for above, on lands designated 'Service Employment', subject to review of a site-specific development application for zoning approval, and in accordance with Sections 8.5.1.2 and 8.5.1.3 and any conditions outlined below:

a) manufacturing, processing and warehousing use, with accessory outdoor storage in accordance with Section 8.13.6;
b) restaurant;
c) night club provided it is integrated within a hotel;
d) banquet hall;
e) *private club*;
f) sports and fitness recreation;
g) trade and convention centre;
h) community college or university;
i) *day care centre* in accordance with Section 8.13.2 provided it is located within an office building;
j) funeral establishment in accordance with Section 8.13.4;
k) crematorium accessory to a funeral establishment provided it is not located within 300 metres of a *sensitive land use* or lands within a 'Residential' and 'Mixed Use' designation;
l) commercial storage facility;
m) motor vehicle service station in accordance with Section 8.13.5;
n) car wash;
o) motor vehicle body shop and repair facility with accessory outdoor storage in accordance with Section 8.13.6;
p) motor vehicle retail sales with limited accessory outdoor storage or display of motor vehicles in accordance with Section 8.13.6;
q) motor vehicle rental with limited accessory outdoor storage or display of motor vehicles in accordance with Section 8.13.6;
r) *place of worship* only in a multiple unit building limited to a maximum gross floor area of 500 square metres in accordance with Section 8.1.3.7;
s) entertainment; and
t) adult entertainment provided it is not located within 1,000 metres of lands within a 'Residential' or 'Mixed Use' designation.

8.5.4.4 **To not permit** the following uses on lands designated 'Service Employment':

a) *private school*.

Building Types and Heights

8.5.4.5 **To provide** for single and multiple-unit building with one or more storeys with a maximum building height specified in the implementing zoning by-law, on lands designated 'Service Employment'.

Development Criteria

8.5.4.6 In considering an application for *development approval* on lands designated 'Service Employment', Council shall ensure that development adheres to the development criteria outlined below, in addition to the criteria contained in Section 8.5.1.6:

a) buildings should generally be placed on a site to respect a consistent setback and provide for continuity in built form along public streets;
b) accessory outdoor storage facilities shall be sufficiently screened and buffered from adjacent lands in accordance with Section 8.13.6.

Sections 8.5.4 and 8.5.5 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), and 15 (Issue 122)

8.5.5 General Employment

'General Employment' areas are characterized by large properties developed with single and multiple unit buildings accommodating the industrial uses that are primary to the designation. The majority of buildings are single storey, reflecting the nature of operations undertaken by the businesses they house. Many of the properties are designed to accommodate truck movements and loading and may also include space for outdoor storage. Some buildings may include a second storey portion to accommodate the particular requirements of industrial or warehousing activities or accessory office space.

'General Employment' areas are characterized by large properties developed with single and multiple unit buildings accommodating industrial uses that are primary to the designation. It is intended that these areas be protected from incompatible sensitive land uses.

The 'General Employment' designation applies to large areas of land, generally in the interior of employment areas, close to 'Business Park' and 'Service Employment' areas. These lands are typically served by the arterial road system, which provides quick access to 400 series highways. Manufacturing, processing and warehousing uses predominate within 'General Employment' areas and may be supplemented with accessory retail or service uses. It is the intent of this Plan to protect these areas from incompatible *sensitive land uses* and other non-industrial uses.

It is the policy of Council:

Planned Function

8.5.5.1 On lands designated 'General Employment' to:

a) provide long-term and stable locations for manufacturing, processing and warehousing uses with good access to arterial roads, connections to 400 series highways, roadways suited to trucking and access to public transit;
b) maintain a supply of land suited to development of single and multi-unit building forms on large and small properties accommodating businesses in the industrial sector;
c) restrict the introduction of new *sensitive land uses* to minimize the impacts on the viability and continued operation of permitted industrial and warehouse uses;
d) accommodate the expansion and modernization of existing buildings to maintain the attractiveness and competitive advantage of the lands for the intended uses; and
e) restrict accessory uses and *ancillary uses* to those that directly support

the primary industrial uses of this designation.

Uses

8.5.5.2 **To provide** for the following uses, in addition to the uses listed in Section 8.1.1, on lands designated 'General Employment':

a) manufacturing, processing and warehousing with accessory outdoor storage provided the outdoor storage is located to the rear or side of a building and in accordance with Section 8.13.6;
b) retail and/or service use that is accessory to the primary manufacturing, processing or warehousing use, and located in the same premise as the primary use, provided the area devoted to the accessory use does not exceed 500 square metres of gross floor area, or a maximum of 15 percent of the total gross floor area devoted to the primary use, whichever is less;
c) office use that is accessory to a primary manufacturing, processing or warehousing use, and located within the same premise as the primary use; and
d) *trade school*.

Section 8.5.5 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), and 15 (Issue 122)

8.5.5.3 **To provide** for the following *discretionary uses*, in addition to the uses provided for above, on lands designated 'General Employment', subject to review of a site specific development application for zoning approval, in accordance with Sections 8.5.1.2 and 8.5.1.3 and any conditions outlined below:

a) *ancillary use* within an industrial building shall be limited to restaurant, service, commercial school and office uses other than medical offices, provided:
   i. the combined total gross floor area devoted to *ancillary uses* and accessory uses described in Section 8.5.5.2 b), does not exceed 15 percent of the total gross floor area of the building;
   ii. *ancillary uses* and accessory uses shall only be located on the ground floor of the building;
   iii. an *ancillary* office use shall only be located in a building on an arterial road and does not exceed a maximum gross floor area of 300 square metres per premise;
   iv. the gross floor area of an *ancillary* restaurant or other *ancillary* service use does not exceed a maximum of 100 square metres per premise; and
   v. no outdoor seating shall be provided as part of an *ancillary* restaurant.
b) motor vehicle body shop and repair facility with accessory outdoor storage in accordance with Section 8.13.6; and
c) crematorium provided it is not located within 300 metres of a *sensitive land use* or lands within a 'Residential' or 'Mixed Use' designation.

8.5.5.4 **To not permit** the following uses on lands designated 'General Employment':

a) community college or university;
b) *private school*;

Section 8.5.5 subject to Area/Site Specific Appeal Nos. Nos. 1 (Issues 113, 115), 9 and 10 (Issues 18, 19), and 15 (Issue 122)

c) *private club*;
d) sports and fitness recreation;
e) hotel;
f) funeral establishment;
g) medical office;
h) commercial storage facility;
i) financial institution;
j) motor vehicle service station;
k) motor vehicle sales or rental;
l) commercial parking garage;
m) *day care centre*;
n) *place of worship*;
o) trade and convention centre;
p) banquet hall;
q) night club;
r) entertainment; and
s) adult entertainment.

Building Types

8.5.5.5 **To provide** for single and multiple-unit industrial and warehouse buildings on lands designated 'General Employment'.

Development Criteria

8.5.5.6 **In considering** an application for *development approval* on lands designated 'General Employment', Council shall ensure that development adheres to the development criteria outlined below, in addition to the criteria contained in Section 8.5.1.6:

a) accessory outdoor storage facilities shall be sufficiently screened and buffered from adjacent lands in accordance with Section 8.13.6.

8.6 GREENWAY

The 'Greenway' designation is intended to protect valleylands and stream corridors, sensitive groundwater features, landforms, woodlands, wetlands and agricultural lands while supporting agricultural activities, protection of wildlife habitat, passive recreation uses, natural heritage enhancement opportunities and nature appreciation.

The 'Greenway' designation applies to Greenway System lands shown on Map 1 – Markham Structure that contain the Natural Heritage Network, the 'Oak Ridges Moraine Conservation Plan Area' and 'Greenbelt Plan Areas' shown on Map 7 – Provincial Policy Areas, and certain naturalized stormwater management facilities . These lands are intended to protect *natural heritage and hydrologic features* and certain protected agricultural lands while supporting agricultural activities, protection of wildlife habitat, passive recreation uses, natural heritage enhancement opportunities and nature appreciation. The Greenway System also protects *cultural heritage resources* associated with *valleylands* and watercourse corridors through the application of the Rouge Watershed Protection Area. The detailed policies of the Greenway System are contained in Section 3.1 and should be read in conjunction with the land use policies contained in this Section.

8.6.1 General Policies

It is the policy of Council:

8.6.1.1 **On lands designated 'Greenway' to:**

a) identify and protect the Greenway System comprised of the Natural Heritage Network, certain protected agricultural lands, *cultural heritage resources*, certain naturalized stormwater management facilities and enhancement lands to support ecological linkages and *biodiversity* nodes and provide for uses that are compatible with the Greenway System;
b) implement the land use and development requirements of the Oak Ridges Moraine Conservation Plan and the Greenbelt Plan; and
c) ensure that land use decisions in support of urban development and infrastructure contribute to the protection and enhancement of the Greenway System while having a minimum impact on the natural environment.

Uses

8.6.1.2 **To provide** for the following uses on lands designated 'Greenway':

Section 8.6.1.2 subject to City-wide Appeal No. and 32 (Issue 323)

a) ~~*agricultural use*~~ countryside uses, identified in Section 8.8.1.2 provided they are outside of *natural heritage and hydrologic features* ~~natural heritage and hydrologic features~~ and their *vegetation protection zones*;
b) archaeological activity;
c) dwelling unit including *home occupation*;
d) *secondary suite* in accordance with Section 8.13.8;
e) ecological restoration activity;
f) forest, wildlife habitat and fisheries management and conservation;
g) watershed management, conservation, and flood and erosion control projects carried out by a public authority;
h) trails and nature-based public recreational activities including associated recreational infrastructure;
i) park-related use in the defined area of the Rouge National Urban Park;
j) transportation, ~~or~~ servicing or utility infrastructure in accordance with Sections 3.1.2.9~~10~~ and 7.1.1.7, which receives environmental approval under provincial or federal authority, subject to the ~~specific~~ requirements of the Oak Ridges Moraine Conservation Plan and the Greenbelt Plan where applicable;
k) communications/telecommunications infrastructure, subject to the requirements of the Oak Ridges Moraine Conservation Plan and the Greenbelt Plan where applicable; and
l) use accessory to the uses set out above. (YR Mod. 46) (Markham Mods. 36, 214 and 241)

Sections 8.6.1.3 and 8.6.1.4 subject to City-wide Appeal No. 32 (Issues 323)

8.6.1.3 **To provide** for the following uses, in addition to the uses permitted in ~~s~~Section 8.6.1.2, on lands designated 'Greenway' in the Oak Ridges Moraine Natural Linkage Area, Oak Ridges Moraine Countryside and Greenbelt Protected Countryside as shown on Map 7 – Provincial ~~and Federal~~ Policy Areas provided they are outside of *natural heritage and hydrologic features* ~~natural heritage and hydrologic features~~ and their *vegetation protection zones*:

a) activities related to non-renewable resources may be provided for within the ~~'~~Oak Ridges Moraine Conservation Plan Area and the Greenbelt Plan Area subject to the specific policies in the relevant Provincial Plan and the Regional Official Plan;
b) *home business*;
c) *home industry*;
d) *bed and breakfast establishment*;
e) a second dwelling where permitted in accordance with the ~~requirements of the~~ Oak Ridges Moraine Conservation Plan;
f) *farm vacation home*;
g) unserviced parks where permitted in accordance with the Oak Ridges Moraine Conservation Plan; and
h) uses provided for in section 8.8.1.2. (YR Mod. 47)(YR Mod. 142) (Markham Mods. 37 and 241)

8.6.1.4 **To prohibit** the following uses in the Oak Ridges Moraine Conservation Plan Area and the Greenbelt Plan Area shown on Map 7 – Provincial ~~and Federal~~ Policy Areas:

a) new major recreational use, non *agricultural use* including commercial, industrial and institutional uses, except for expansions to an existing major recreational use or non *agricultural use*, which may be permitted subject to satisfying the specific requirements of the applicable Oak Ridges Moraine Conservation Plan or Greenbelt Plan;
b) where located on lands identified as Oak Ridges Moraine Areas of High Aquifer Vulnerability shown on Map 6 – Hydrologic Features:
   i. generation and storage of hazardous waste or liquid industrial waste;
   ii. waste disposal sites and facilities, organic soil conditioning sites and snow storage and disposal facilities;
   iii. underground and above-ground storage tanks that not equipped with an approved secondary containment device; and
   iv. storage of contaminants listed in Schedule 3 (Severely Toxic Contaminants) to Regulation 347 of the Revised Regulations of Ontario; and
c) in accordance with the Oak Ridges Moraine Conservation Plan and the Greenbelt Plan, all land uses not identified in this Plan are prohibited and amendments to permit such uses by Markham requires provincial approval. (YR Mod. 142)

Building Types

8.6.1.5 **To provide** for the following building types on lands designated 'Greenway':

a) detached dwelling and structure on a lot of record that existed prior to approval of this Plan, the Oak Ridges Moraine Conservation Plan and the Greenbelt Plan, where applicable, on an open road allowance and subject to existing zoning;
b) agricultural building and structure including accessory building; and
c) park and recreation related building and structure.

Development Criteria

8.6.1.6 **In considering** an application for *development approval* on lands designated 'Greenway', Council shall ensure that development adheres to the following development criteria:

a) development or *redevelopment* within the 'Greenway', shall require site plan approval to address appropriate setbacks, building size, location and parking, lighting, drainage, buffering, protection of natural heritage and hydrologic features and associated *vegetation protection zones*, landscaping and any studies that may be required in Section 3.5;
b) development, *redevelopment* or *site alteration* within *natural heritage and hydrologic features* and their *vegetation protection zones* shall be prohibited with the exception of conservation, resource management, nature-based recreational infrastructure and public infrastructure;
c) expansions to existing agricultural buildings, structures, accessory uses and agricultural infrastructure within the Natural Heritage Network may be permitted subject to the preparation of a natural heritage evaluation or environmental impact study and other specific requirements of applicable provincial plans, and must demonstrate all reasonable efforts are undertaken to mitigate the impacts and a suitable location outside of the 'Natural Heritage Network' is not available; and
d) expansions to existing major recreational and existing non-agricultural use may be permitted subject to the preparation of a vegetation enhancement plan and/or a water and nutrient conservation plan in accordance with the requirements of the applicable Oak Ridges Moraine Conservation Plan and/or Greenbelt Plan.

8.6.1.7 **In considering** an application for *development approval* or *site alteration* on lands designated 'Greenway' within the Oak Ridges Moraine Conservation Plan Area shown on Map 7 – Provincial Policy Areas, Council shall ensure that development, *redevelopment* or *site alteration* adheres to the following development criteria in addition those listed above in Section 8.6.1.6:

a) development, *redevelopment* or *site alteration* shall address the impervious surface requirements of Section 27 (1) of the Oak Ridges Moraine Conservation Plan;
b) applications for development, *redevelopment* or *site alteration* should help support a 30 percent target within each *subwatershed* for self-sustaining vegetation; and

c) applications for development, *redevelopment* or *site alteration* on lands identified as 'Oak Ridges Moraine Landform Conservation Area Category 2' on Map 5 – Natural Heritage Features and Landforms, shall be subject to the additional requirements of Section 30 of the Oak Ridges Moraine Conservation Plan.

8.6.1.8 **In considering** an application for *development approval* or *site alteration* on lands designated 'Greenway' within the Greenbelt Plan Area shown on Map 7 – Provincial Policy Areas, Council shall ensure that development, *redevelopment* or *site alteration* adheres to the following development criteria in addition those listed above in Section 8.6.1.6:

a) negative effects on natural features and their functions will be minimized;
b) connectivity between *key natural heritage features* and *key hydrologic features* is maintained or if possible enhanced for the movement of native plants and animals across the landscape;
c) the removal of features not defined as *key natural heritage features* or *key hydrologic features* should be avoided;
d) the disturbed area of the total developable area of any site does not exceed 25 percent; and
e) the *impervious surface* of the total developable area of any site does not exceed 10 percent of all uses except recreational uses that are exempt and golf courses that shall not exceed 40 percent;
f) for existing non *agricultural uses* within the Greenbelt Natural Heritage System of the Greenbelt Protected Countryside:
    i. 30 percent of the total developable area will remain in *natural self-sustaining vegetation*;
    ii. connectivity between *key natural heritage features* and *key hydrologic features* located within 240 metres of each is maintained or enhanced; and
    iii. building or structures do not occupy more than 25 percent of the total developable area and are planned to optimize the compatibility of the project with the natural surroundings; and
g) expansion or reconstruction of an existing legal non-conforming building or structure or conversion of an existing non-permitted use to a more compatible use may be permitted, subject to the Greenbelt Plan where applicable. Expansions, reconstruction and conversions must demonstrate that they will not adversely affect the *ecological integrity* of the Greenway System and that the use or expansion was lawfully used for that purpose on or before December 15, 2004.

Hamlets are small historic settlement areas located in the countryside intended to remain predominantly as low-density residential communities within historic settlement boundaries.

Addendum B: Official Plan – Section 8.12

8.12 FUTURE URBAN AREA

Section 8.12 subject to City-wide Appeal Nos. 1 (Issue 116), 4 (Issue 119) and Area/Site Specific Appeal 3 (Issue 2)

Markham's new development areas are shown on Map 1 – Markham Structure as 'Future Urban Area' and designated as 'Future Urban Area', on Map 3 – Land Use. Lands designated 'Future Urban Area' include the 'Future Neighbourhood Area' and 'Future Employment Area' designations.

It is the intent of this Plan that these new areas will be pedestrian, cycling and transit-friendly compact and *complete communities*, with an emphasis on sustainable building, innovative techniques for stormwater and waste management and high standards of urban design. The opportunity to make these areas among the most sustainable, and innovative neighbourhoods and employment areas in Markham requires careful planning beyond what may traditionally have been undertaken.

Specific land use designations for the lands designated 'Future Neighbourhood Area' in southeast Markham will be determined through an amendment to this plan. The specific land use designations for the 'Future Employment Area' lands in Cornell Centre will be confirmed through the update of the Cornell Centre Secondary Plan.

More specific land use designations for the 'Future Neighbourhood Area' and 'Future Employment Area' lands located north of Major MacKenzie Drive will be determined through a non-statutory master planning exercise, followed by more detailed secondary plans.

A Conceptual Master Plan will be prepared to enable Council to build a vision for how the 'Future Urban Area' will develop. The plan will establish a broad planning framework and structural elements to guide the overall direction and form of growth in these new urban areas. Refinements, along with more detailed and binding levels of planning control, will be developed subsequently through the statutory secondary plan process.

Early structural planning in the form of a Conceptual Master Plan will ensure that new neighbourhoods and employment areas meet the requirements and standards of this Plan, and that a consistency of the urban form and function can be anticipated, particularly in the distribution of:

- mixed-use centres and appropriate areas within employment lands to meet retail and service needs;
- community infrastructure including an integrated parks and open space system; and
- major transportation system, water and wastewater infrastructure.

The Conceptual Master Plan will be developed through a comprehensive public consultation process that will involve all relevant stakeholders, including residents, businesses, landowners, other levels of government and public agencies.

The planning for this area will begin with *subwatershed plans* addressing environmental matters such as, among other things, water quality and quantity, aquatic habitat, fluvial geomorphology, and terrestrial natural heritage, in accordance with Section 3.3.1. The *subwatershed plans* will inform the Conceptual Master Plan and provide a basis for more detailed master environmental servicing plans at the secondary plan level.

Section 8.12 subject to City-wide Appeal Nos. 1 (Issue 116), 4 (Issue 119) and Area/Site Specific Appeal 3 (Issue 2)

8.12.1 General Policies

It is the policy of Council:

8.12.1.1 That specific land use designations for the lands designated 'Future Neighbourhood Area' at the northeast corner of 9th Line and Steeles Avenue will be determined through an amendment to this Plan in accordance with Section 9.2.8.

8.12.1.2 That specific land use designations for the 'Future Employment Area' lands east of Donald Cousens Parkway north and south of Highway 7 in Cornell Centre will be confirmed through the update of the Cornell Centre Secondary Plan in accordance with Section 9.7.8.

8.12.1.3 That for the lands designated 'Future Neighbourhood Area' and 'Future Employment Area' north of Major Mackenzie Drive and east of Woodbine Avenue as shown on Map 3 – Land Use, prior to any *development approvals* for urban uses, the following matters will be addressed:

a) a *subwatershed plan(s)* will be approved in accordance with the requirements of Sections 3.3.1.3 and 3.3.1.4;
b) a Conceptual Master Plan will be endorsed to establish a broad planning framework and structural elements within which Markham can guide the overall direction and form of growth for secondary plans on these 'Future Urban Area' lands in accordance with Section 8.12.1.4 and the sustainable community policies of Sections 6.2 and 6.3; and
c) a master environmental servicing plan will be approved in accordance with Section 3.5.1; and
d) a secondary plan or concurrent secondary plans determining specific land use designations and related policies will be approved in accordance with Section 10.1.2 and the submission requirement of Section 10.1.2 .4 c) of this Plan and Sections 4.3 and 5.6 of the Regional

Official Plan. (Markham Mod. 177)

8.12.1.4 That the Conceptual Master Plan for the 'Future Urban Area' lands north of Major Mackenzie Drive as shown on Map 3 – Land Use include, but not be limited to, the following:

Subwatershed Plan

a) conformity with the requirements of the *subwatershed plan(s)* in Section 8.12.1.3. a) above that:

i. delineates protected areas containing *natural heritage and hydrologic features* ~~natural heritage and hydrologic features~~ including any refinements of the features as set out on Map 5 – Natural Heritage Features and Landforms and Map 6 – Hydrologic Features; and

ii. addresses provincial concerns regarding the management of water resources and the protection of *endangered species, threatened species*, and *species of concerns*; (Markham Mod. 243)

Section 8.12 subject to City-wide Appeal Nos. 1 (Issue 116), 4 (Issue 119) and Area/Site Specific Appeal 3 (Issue 2)

Section 8.12.1.4 subject to City-wide Appeal No. 4 (Issue 120)

Cultural Heritage Resources

b) identification of any known *cultural heritage* and *archaeological resources*;

Infrastructure and Services

c) identification of requirements for the expansion of Markham's municipal infrastructure and services network to these 'Future Urban Area' lands including environmental considerations related to the crossing of watercourses and impacts on other natural features;

Transportation System

d) identification of a transportation system consisting of the general pattern of municipal collector roads and their intersection points with the regional arterial roads that frame and serve these 'Future Urban Area' lands. The transportation system will:

i. respect environmental considerations related to the crossing of watercourses and impacts on other natural features; and

ii. provide the basic network on which to develop transit services and take into account future pedestrian and cycling connections for residents, workers and visitors traveling to, from and within these 'Future Urban Area' lands;

Community Structure

e) identification of a community structure that will, among other things, establish the locations of:

i. residential neighbourhooods;
ii. mixed-use centres and/or corridors;
iii. employment areas;
iv. Greenway System and transportation corridors based on the refined natural heritage and hydrologic features mapping; and
v. the conceptual collector road and transit network along with related pedestrian and cycling facilities;

Land Use and Density

f) i. guidance on where appropriate land use designations and policies will be applied at the secondary plan level including:

- 'Residential' and 'Mixed Use' designations and policies for the lands designated 'Future Neighbourhood Area'; and
- 'Employment Lands' designations and policies for the lands designated 'Future Employment Area'; and

ii. guidance on how the density targets identified in Section 2.6 will be addressed.

Mixed Use Centres and Corridors

g) identification of the approximate locations within the 'Future Neighbourhood Area' lands that will be carefully planned as mixed-use Centres and/or Corridors. These mixed-use Centres and/or Corridors will develop as well connected, intensive, pedestrian-oriented neighbourhood gathering places in accordance with the preferred 'Mixed Use' designations and policies outlined in Section 8.12.1.4 f) i. The growth and development of mixed-use Centres and Corridors will be guided by the following principles:

i. mixed-use Centres and/or Corridors will be distributed throughout the 'Future Neighbourhood Area' lands to provide community cores, within reasonable walking distance from the majority of the population, providing a focus of local retail, commercial and community services, and providing connections to rapid transit;
ii. mixed-use Centres and Corridors shall provide locations for 'Mixed Use Mid Rise' development, integrating medium and large sized retail, restaurant and services uses with residential and community

Section 8.12 subject to City-wide Appeal Nos. 1 (Issue 116), 4 (Issue 119) and Area/Site Specific Appeal 3 (Issue 2)

Section 8.12.1.4 subject to City-wide Appeal No. 4 (Issue 120) uses;

iii. mixed-use Centres and Corridors will also provide locations for 'Mixed Use Low Rise' development, integrating residential uses with small-scale retail, service, professional office and community uses serving nearby residents; and

iv. other complementary uses such as *places of worship*, *public schools*, live-work units and *shared housing* will be encouraged to locate within or in close proximity to these mixed-use Centres and Corridors; (Markham Mod. 42)

Section 8.12 subject to City-wide Appeal Nos. 1 (Issue 116), 4 (Issue 119) and Area/Site Specific Appeal 3 (Issue 2)

Strategic Employment Lands

Section 8.12.1.4 subject to City-wide Appeal No. 4 (Issue 120)

h) identification of the 'Future Employment Area' lands, strategically located near Highway 404 and contiguous with existing designated 'Employment Lands' as a priority area for generation of employment in the future. This area will be carefully planned and protected to maximize its capability to provide a range of jobs in accordance with the preferred 'Employment Lands' designations and policies outlined in Section 8.12.1.4 f) i.;

Sustainable Development Practices

i) application of sustainable development practices for community, building and site design for sustainable community planning and design of these 'Future Urban Area' lands in accordance with the policies of Section 6.2 of this Plan; and

Phasing of Development and Detailed Planning

j) identification of the general phasing of development within these 'Future Urban Area' lands based on the infrastructure and services network, the transportation system and Markham's priority for the sequencing of new development in these 'Future Urban Area' lands. The Conceptual Master Plan will take into account the principles of *complete communities*, both within these 'Future Urban Area' lands and also within the context of existing adjoining areas to augment services within adjoining areas~~, and will recommend triggers/thresholds that will provide for the secondary plan process to commence and in what sequence~~. The phasing strategy will allow the first phase of development to include lands within each of the four concession blocks within the 'Future Urban Area', with the program for phasing within each concession block to be confirmed to the satisfaction of Council through secondary plans, phasing plans and conditions of approval. (YR Mod. 50)

Addendum C: Assumption and Limiting Conditions

"Report" means the appraisal report and conclusions stated therein, to which these Assumptions and Limiting Conditions are annexed.

"Property" means the subject of the Report.

"C&W" means Cushman & Wakefield ULC or its subsidiary that issued the Report.

"Appraiser(s)" means the employee(s) of C&W who prepared and signed the Report.

The Report has been made subject to compliance with the Personal Information Protection and Electronics Documents Act (PIPEDA), and is subject to the following assumptions and limiting conditions:

- This report has been prepared at the request of **Atlantic (HS) Financial Corporation** the purpose of providing an estimate of the market value of approximately 99.73 acres of Future Employment Land (with projected potential buildable gross floor area of approximately 4,500,000 square feet of proposed mixed uses, including hotel, convention & exhibition centre, office, retail and serviced apartments), located at 3143 Nineteenth Avenue, Markham, for first mortgage financing purposes only, and for no other uses. Atlantic (HS) Financial Corporation should consider the appraisal as only one factor together with its independent investment considerations and underwriting criteria in its overall business decision. It is not reasonable for any person other than the person or those to whom this report is addressed, to rely upon this appraisal without first obtaining written authorization from the client and the author of this report. This report has been prepared on the assumption that no other person will rely on it for any other purpose and all liability to all such persons is denied.

- This report has been prepared at the request of **Atlantic (HS) Financial Corporation** and for the exclusive (and confidential) use of the recipient as named herein and for the specific purpose and function as stated herein. All copyright is reserved to the author and this report is considered confidential by the author and the client. Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, in whole or in part, without the prior written consent and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference.

- Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.

- When preparing an appraisal for financing or mortgage lending purposes, we do not investigate if the prospective loan and applicant satisfy prudent loan underwriting criteria. Correspondingly, we assume no responsibility for loans made where the borrower lacks the ability or motivation to repay the loan, or where the lender has not followed prudent lending practices. When we authorize a lender to rely on this report, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

- By accepting this report, the Client and authorized user(s) accept that this report provides no indication or guarantee of investment returns. The appraiser does not offer an opinion and does not make any representation as to the advisability or inadvisability of the investment in a syndicated investment mortgage and the prospect of returns. The report is not a substitute for proper due diligence. The Client or authorized user(s) must conduct their own due diligence and consult financial advisors or other appropriately qualified professionals. Reliance on this report without conducting appropriate due diligence with respect to the advisability of this investment is unreasonable and in such circumstances all liability for the appraiser is disclaimed.
- This appraisal report or our name may not be used in any offering memoranda or other investment material without the prior written consent of C&W, which may be given at the sole discretion of C&W. Any such consent, if given, shall be conditioned upon our receipt of an indemnification agreement from a party satisfactory to us and in a form satisfactory to us. Furthermore, Client agrees to pay the fees of C&W's legal counsel for the review of the material which is the subject of the requested consent. If the appraisal is referred to or included in any offering material or prospectus, the appraisal shall be deemed referred to or included for informational purposes only and C&W, its employees and the appraiser have no liability to such recipients. C&W disclaims any and all liability with regard to the appraisal prepared pursuant to the engagement to any party other than the Intended User(s). Under no circumstances will C&W consent to the quote, reference or inclusion of the appraisal in connection with crowd funding activities. Further, crowd funding investors are specifically excluded from any class of Intended Users.
- It is acknowledged that any opinions and conclusions expressed by the professionals of C&W or its affiliates during this assignment are representations made as employees and not as individuals. C&W's or its affiliate's responsibility is limited to the Client, and use of our product by third parties shall be solely at the risk of the Client and/or third parties.
- The estimated market value of the real property which is appraised in this report pertains to the value of the fee simple interest, based on vacant possession. The property rights appraised herein exclude mineral rights, if any.
- The estimate of market value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value; especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions and conclusions contained in this report are subject to all of the assumptions and limiting conditions.
- No registry office search has been performed, and the property has been valued on the basis that title to the real property herein appraised is good and marketable. The property is appraised on the basis of it being under responsible ownership.
- The author of this report cannot accept responsibility for legal matters, questions of survey, opinions of title, hidden or unapparent conditions of the property, toxic wastes or contaminated materials, soil or sub-soil conditions, environmental, engineering or other technical matters, which might render this property more or less valuable than as stated herein. If it came to our attention as the result of our investigation and analysis that certain problems may exist, a cautionary note has been entered in the body of the report.
- The author of this report is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues, then that party is cautioned

to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

- The legal description of the property was obtained from GeoWarehouse.ca. Further, the plans and sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site, and the relative position of the improvements on the said lands.

- The property has been valued on the basis that the real property is free and clear of all value influencing encumbrances, encroachments, restrictions or covenants except as may be noted in this report and that there are no pledges, charges, lien or social assessments outstanding against the property other than as stated and described herein.

- The property has been valued on the basis that there are no outstanding liabilities except as expressly noted herein, pursuant to any agreement with a municipal or other government authority, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or salability of the subject property or any portion thereof.

- The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all requirements of law, including all zoning, land use classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto. (It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such possible circumstances have not been accounted for in the appraisal process.).

- Investigations have been undertaken in respect of matters, which regulate the use of land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency, unless such investigations are expressly represented to have been made in this report. The subject property must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.

- The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though every attempt has been made to verify the authenticity of this information as much as possible.

- The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the shares could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise therefrom, have been described and measured in this report.

- Should title to the real property presently be held (or changed to a holding) by a partnership, in a joint venture, through a co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership.

- In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the fee simple interest in the real estate, by reason of the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing or extraordinary agreements for management services.

- Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this appraisal, prior arrangements shall be made, including provisions for additional compensation to permit adequate time for preparation and for any appearances, which may be required. However, neither this nor any other of these assumptions and limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body that will decide the use of this report, which best serves, the administration of justice.

- Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the effective date of this appraisal, cannot necessarily be relied upon as any other date without subsequent advice of the author of this report.

- The value expressed herein is in Canadian dollars.

- This report, its content and all attachments/addendums and their content are the property of the author who has signed this report. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part), screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.

- This report is only valid if it bears the original signature of the author. If transmitted electronically, this report will have been digitally signed. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser can be relied upon without fault. Should this report be communicated or sent to a third party without the permission of C&W via a signed transmittal letter, the report will be considered to be invalid.

Addendum D: Certification of Appraisal

I certify to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- I am not in a conflict of interest to undertake this assignment.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice and with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute of Canada.
- I have the knowledge, skills and experience to complete the assignment competently.
- I, Danny Ip, made an inspection of the property from roadside that is the subject of this report on December 1, 2018.
- The Appraisal Institute of Canada has a mandatory Continuing Professional Development Program for designated members. As of the date of this report, I have fulfilled the requirements of the program and remained as a member in good standing.
- No one provided significant professional assistance or third party professional assistance to the person signing this report.
- The value estimates contained in this report apply as of December 1, 2018. This date may be referred to as the *effective date of valuation*.

Final Estimate of Value

Having regard to all of the information contained in this report, it is our professional opinion that the market value (based on proposed mixed-use development) of 3143 Nineteenth Avenue, Markham, at the effective date of valuation, was:

ONE HUNDRED FORTY SIX MILLION DOLLARS

$146,000,000

The appraisal employs the following extraordinary assumptions with hypothetical conditions:

- *The subject proposed mixed-use development will obtain municipal approval and market conditions remain stable from the effective date of valuation to the approval date of the development.*
- *The projected potential buildable gross floor area of approximately 4,500,000 square feet is achievable, and will be developed in four stages over 15 years for the purpose of this appraisal.*
- *No soil test, geotechnical study or environmental site assessment, etc. are completed for the subject property. In addition, infrastructure such as road, water, sewage, utilities, municipal services, etc. are not currently available for the proposed development. The subject property is evaluated on the assumption that it will be physically and technically viable for the proposed development, and additional costs of site assessment and infrastructure provision will be required.*
- *If the above extraordinary assumptions with hypothetical conditions are proven incorrect, there will be an impact on the estimated value and we reserve the right to re-assess the final value of the property.*

In this appraisal, the estimated value is predicated on a reasonable exposure time of nine (9) to twelve (12) months.

Danny Ip, MRICS, AACI
Associate Vice President
Valuation & Advisory

January 22, 2019

Date

Addendum E: Glossary of Terms and Definitions

Definitions of Value, Interest Appraised and Other Terms

Market Value

The Canadian Uniform Standards of Professional Appraisal Practice (The Standards) adopted by the Appraisal Institute of Canada define Market Value as:

> *"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus."*

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in their own best interests;
3. A reasonable time is allowed for exposure in the market;
4. Payment is made in cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Fee Simple Interest

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Value As Is

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.

Prospective Value

A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

Cash Equivalence

A price expressed in terms of cash, as distinguished from a price expressed totally or partly in terms of the face amounts of notes or other securities that cannot be sold at their face amounts. Calculating the cash-equivalent price requires an appraiser to compare transactions involving atypical financing to transactions involving comparable properties financed at typical market terms.

Exposure Time and Marketing Time

Exposure Time

Under Paragraph 3 of the Definition of Market Value, the value opinion presumes that a reasonable time is allowed for exposure in the open market. Exposure time is defined as: *"The length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at the market value on the effective date of the appraisal."* Exposure time is presumed to precede the effective date of the appraisal.

The reasonable exposure period is a function of price, time and use. It is not an isolated opinion of time alone. Exposure time is different for various types of property and under various market conditions. It is a retrospective opinion based on an analysis of past events, assuming a competitive and open market. It assumes not only adequate, sufficient and reasonable time but adequate, sufficient and a reasonable marketing effort. Exposure time and conclusion of value are therefore interrelated.

Based on our review of investor surveys, discussions with market participants and information gathered during the sales verification process, a reasonable exposure time for the subject property at the value concluded within this report would have been nine (9) to twelve (12) months. This assumes the current owner would have employed an active and professional marketing plan.

Marketing Time

Marketing time is an opinion of the time that might be required to sell a real property interest at the concluded market value level. Marketing time is presumed to start during the period immediately after the effective date of an appraisal. (Marketing time is subsequent to the effective date of the appraisal and exposure time is presumed to precede the effective date of the appraisal). The opinion of marketing time uses some of the same data analyzed in the process of developing a reasonable exposure time opinion as part of the appraisal process and it is not intended to be a prediction of a date of sale or a one-line statement.

We believe, based on the assumptions employed in our analysis and our selection of investment parameters for the subject, that our value conclusion represents a price achievable within nine (9) to twelve (12) months.

THIS IS EXHIBIT "B" TO THE AFFIDAVIT OF PUI LING LAI SWORN BEFORE ME THIS 5TH DAY OF OCTOBER, 2023

A Commissioner Etc.

CUSHMAN & WAKEFIELD

Current Narrative Appraisal

Market Value of the Fee Simple Interest

Subject Properties:
3143 19th Avenue, Markham, ON
PIN Nos. 03055-0377, -0380 and -0379

Effective Date: September 24, 2023

Report Date: September 27, 2023

Prepared for:
Tung Kee Investment Limited Partnership
c/o Chaitons LLP
Attn: Ms. Maya Poliak

Prepared by:
Cushman & Wakefield ULC
Dispute Analysis & Litigation Support

C&W ID: 23-444-900330

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cushmanwakefield.com

PRIVATE & CONFIDENTIAL

September 27, 2023

TUNG KEE INVESTMENT LIMITED PARTNERSHIP
c/o Chaitons LLP
5000 Yonge Street, 10th Floor
Toronto, ON
M2N 7E9

Attention:
Ms. Maya Poliak
T+ 416.218.1161
E+ maya@chaitons.com

Dear Ms. Poliak,

Re: Current Narrative Appraisal
Market Value of Fee Simple Interests
3143 19th Avenue, Markham, ON
PIN Nos. 03055-0377, -0380 and -0379

In accordance with our engagement, Cushman & Wakefield ULC ("Cushman & Wakefield" or "C&W") has prepared a Current Narrative Appraisal of the Market Value of the Fee Simple Interest of the real property located at 3143 19th Avenue, Markham, ON, bearing PIN Nos. 03055-0377, -0380, and -0379 (the "Subject Properties") as at September 24, 2023, subject to the Engagement Parameters, Extraordinary Assumptions, and the Ordinary Assumptions & Limiting Conditions as identified herein.

The accompanying report contains the results of our findings which have been prepared in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP). The information contained herein is of a confidential nature and is intended for the exclusive use of the intended user(s) as identified herein.

Based on the research, investigations, and analysis described in the accompanying report, it is our opinion that the Market Value of the Fee Simple Interest of the respective Subject Properties, as at September 24, 2023, is in the range of:

CUSHMAN & WAKEFIELD

161 Bay Street, Suite 1500
P.O. Box 602
Toronto, ON M5J 2S1
Tel +1 416 862 0611
Fax +1 416 359 2613
cushmanwakefield.com

Final Estimates of Market Value

	From	To
Subject Property No.1 (PIN No. 03055-0377)	**$61,400,000** ($2,200,000/dev.ac.)	**$66,980,000** ($2,400,000/dev.ac.)
Subject Property No.2 (PIN No. 03055-0380)	**$36,370,000** ($2,090,000/dev.ac.)	**$39,670,000** ($2,280,000/dev.ac.)
Subject Property No.3 (PIN No. 03055-0379)	**$32,290,000** ($1,870,000/dev.ac.)	**$35,230,000** ($2,040,000/dev.ac.)
Total	**$130,060,000** (app. $2,080,000/dev.ac.)	**$141,880,000** (app. $2,270,000/dev.ac.)

Subject to the Extraordinary Assumptions, Engagement Parameters, and Ordinary Assumptions & Limiting Conditions. See Page 9 herein. Reasonable Exposure Time is estimated to be six (6) to twelve (12) months preceding the Effective Date herein.

Respectfully submitted,

CUSHMAN & WAKEFIELD ULC

Michael Parsons, MBA, AACI, P.App, PLE
Senior Vice President
Canada Practice Lead │ Dispute Analysis & Litigation Support
Valuation & Advisory

Contents

Section 1.0 Executive Summary

1.0 Executive Summary

Appraisal Parameters:

Purpose: To provide an opinion of the Market Value of the Fee Simple Interest of the Subject Properties.

Intended Use: To assist Chaitons LLP with the rendering of legal services to Tung Kee Investment Limited Partnership.

Interest Appraised: Market Value of the Fee Simple Interests.

Effective Date: September 24, 2023, concurrent with the date of inspection

Property Descriptions:

Address: 3143 19th Avenue, Markham, ON

Location: Subject Property No.1 is located on the southeast corner of 19th Avenue and Woodbine Avenue, Subject Property No. 2 is located mid-block on the south side of 19th Avenue, between Woodbine Avenue and Warden Avenue, and Subject Property No. 3 is located mid-block, between Woodbine Avenue and Warden Avenue, on the east side of Greenbelt designated lands, and on the south side of 19th Avenue, in the City of Markham.

Land Area:

	Site Area [1]	Developable Area
SP No. 1:	34.157 acres	27.91 acres
SP No. 2:	21.756 acres	17.40 acres
SP No. 3:	24.105 acres	17.27 acres
Total	80.018 acres	62.57 acres

Municipal Services: Municipal services were not available to the Subject Properties at the Effective Date herein. We understand interim private servicing solutions are available to accommodate imminent development of the Subject Properties in accordance with a Minister's Zoning Order (MZO), subject to municipal review and approval of draft plan of subdivision and site plan applications.

Current Use: Unimproved and in agricultural use.

Land Use Controls: Regional Municipality of York Official Plan: "Employment Area" within an "Urban Area".

[1] Plan 65R-39839

City of Markham Official Plan (2014):	"Future Employment Area"
City of Markham Zoning By-Law (177-96) based on Minister's Zoning Order (MZO):	"Business Park"

Highest and Best Use: Employment development land in accordance with a Minister's Zoning Order (MZO) applicable to the Subject Properties.

Methodology: We have relied upon the Direct Comparison Approach to estimate the Market Value of the Fee Simple Interests of the Subject Properties.

Market Evidence: For the purposes of the Direct Comparison Approach, we identified eight (8) sale indices of employment development land with unadjusted unit rate indications between $1,630,966 and 2,685,682 per developable acre, with a median of $2,171,357 and average of $2,194,023 per developable acre. The valuation adjustment analysis was conducted based on Subject Property No.1. After all adjustments to reflect comparability with Subject Property No.1, the indices provided adjusted unit rate indications in the range of approximately $2,200,000 to $2,400,000 per developable acre. In our opinion, a unit rate in the range is reasonable and appropriate.

A 5% discount is applied to the unit rate for the valuation of Subject Property No. 2, reflecting its inferior range of uses as compared with Subject Property No.1. A 15% discount is applied to the unit rate for the valuation of Subject Property No. 3, reflecting its inferior block position being further away from Woodbine Avenue across Greenbelt designated lands, with corresponding longer development timing, as well its inferior range of uses as compared with Subject Property No.1.

Final Estimates of Market Value

	From	To
Subject Property No.1 (PIN No. 03055-0377)	**$61,400,000 ($2,200,000/dev.ac.)**	**$66,980,000 ($2,400,000/dev.ac.)**
Subject Property No.2 (PIN No. 03055-0380)	**$36,370,000 ($2,090,000/dev.ac.)**	**$39,670,000 ($2,280,000/dev.ac.)**
Subject Property No.3 (PIN No. 03055-0379)	**$32,290,000 ($1,870,000/dev.ac.)**	**$35,230,000 ($2,040,000/dev.ac.)**
Total	**$130,060,000 (app. $2,080,000/dev.ac.)**	**$141,880,000 (app. $2,270,000/dev.ac.)**

Subject to the Extraordinary Assumptions, Engagement Parameters, and Ordinary Assumptions & Limiting Conditions. See Page 9 herein. Reasonable Exposure Time is estimated to be six (6) to twelve (12) months preceding the Effective Date herein.

Aerial Photograph of the Subject Properties

Source: GeoWarehouse [Annotated by C&W]

Photographs of Subject Properties (taken on September 24, 2023)

Looking south at 19th Avenue and Woodbine Avenue.

Looking west along eastern property boundary.

Looking west along northern property boundary.

View looking south towards Subject Property No.3.

View looking south towards Subject Property No.1.

View towards east of Subject Property from Woodbine Avenue.

Section 2.0 Engagement Parameters

2.0 Engagement Parameters

The following section outlines the parameters within which the Appraisal Report has been prepared.

2.1 Client and Intended User(s)

This Appraisal Report has been prepared at the request of Chaitons LLP ("Legal Counsel") on behalf of Tung Kee Investment Limited Partnership (the "Client"). It is not reasonable for any other person(s) other than Legal Counsel, the Client and their Advisors to rely on this Appraisal Report without first obtaining written authorization from Legal Counsel and Cushman & Wakefield ULC.

2.2 Intended Use

The intended use of this Appraisal to assist Chaitons LLP with the rendering of legal services to Tung Kee Investment Limited Partnership.

2.3 Purpose of Appraisal

The purpose of this Appraisal is to provide an opinion of the Market Value of the Fee Simple Interests of the Subject Properties as at the Effective Date herein.

2.4 Effective Date

The Effective Date of this Appraisal is September 24, 2023, concurrent with the date of inspection.

2.5 Interest Appraised

The real property rights appraised comprise the Fee Simple Interest in the Subject Properties.

A Fee Simple Interest is defined as: *"Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power, and escheat."* [2]

2.6 Definition of Value

2.6.1 Market Value

The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) adopted by the Appraisal Institute of Canada define Market Value as:

> *"The most probable price, as of a specified date, in cash, or terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgably, and for self-interest, and assuming that neither is under undue duress."*[3]

[2] Appraisal of Real Estate, Fourth Canadian Edition, ed. Dybvig, (University of British Columbia, Real Estate Division, 2023).
[3] Canadian Uniform Standards of Professional Appraisal Practice 2022.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in their own best interests;
3. A reasonable time is allowed for exposure in the market;
4. Payment is made in cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

2.7 Scope of Work

The following is a description of the general investigations and analysis undertaken in support of the scope of this Appraisal Report:

- This Appraisal Report has been prepared under the Canadian Uniform Standards of Professional Appraisal Practice, dated January 1, 2022.
- Michael Parsons, MBA, AACI, P.App inspected the Subject Properties from adjoining rights-of-way on September 24, 2023.
- Property data was obtained while on inspection and examination of GeoWarehouse, Altus Data Studio, and MPAC records, as well as other source material provided by Legal Counsel.
- Municipal data was based on information obtained from various sources including government publications, municipal economic development departments, and real estate publications.
- Land use controls including Official Plan designations, Minister's Zoning Order and Zoning classifications were reviewed.
- 2011, 2016 and 2021 Canadian Census Data were reviewed.
- Economic and real estate market conditions in relation to the Subject Properties at the Effective Date were considered.
- The physical, functional, and economic characteristics of the Subject Properties were considered.
- Highest and Best Use of the Subject Properties was analyzed and concluded.
- Sale data was obtained from data information services, listing brokers, landlords, as available, as well as our own records. The sale data were examined and the circumstances surrounding the sales agreements were considered.
- The Direct Comparison Approach to value were relied upon to arrive at an opinion of Market Value for the Subject Properties.
- Based on the research collected and the analysis performed, final estimates of Market Value were concluded.

2.8 Scope of Review

The following is a summary of documents reviewed and considered information contained in the following documents and sources by Cushman & Wakefield ULC in connection with this Appraisal:

- Various Economic Forecast data for Provincial and National economies by BMO Economics and TD Economics;
- Statistics Canada;
- TRREB Commercial Marketwatch and Condo Market Reports;
- Cushman & Wakefield Site Solutions database;
- Agreement of Purchase for Subject Property No.1;
- Agreements of Purchase and Sale for Subject Property No.2 and 3;
- Exp Services Inc. Phase I Environmental Site Assessment (ESA);
- CXT Architects Inc. developable acreage sketch;
- Masongsong Associates Engineering Limited letter;
- Greenbelt Plan;
- Toronto Region Conservation Authority Maps;
- Region of York Official Plan (2018);
- City of Markham Official Plan (2018);
- City of Markham Zoning By-law (177-96); and
- Minister's Zoning Order (Ontario Regulation 599/21).

2.9 Extraordinary Assumptions

An Extraordinary Assumption is defined by CUSPAP as: *"An assumption, directly related to a specific Assignment, which, if were not assumed to be true, could materially alter the opinions or conclusions."* [4] Extraordinary Assumptions presume as fact otherwise uncertain information about physical, legal or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis." The following Extraordinary Assumptions apply to this Appraisal Report:

- We have been provided with a Phase I Environmental Site Assessment (ESA) by exp Services Inc., dated July 2015. The Phase I ESA concludes that there is a low potential for environmental risk and no further soil and groundwater investigations are required. Unless otherwise indicated herein, it is assumed as an Extraordinary Assumption that there are no hazardous or other environmental contamination or conditions within the soil, subsoil, groundwater, or other that would preclude development of the Subject Properties or require extraordinary costs of remediation and would adversely affect the Market Value estimate herein.

- Developable acreage is the area that can be utilized, physically, functionally, and/or financially for future development purposes. Typically, developable acreage excludes significant natural features and land-use protected areas, woodlots, open space lands, hazard lands, lands designated within the 'Greenbelt' plan, Provincially Significant lands, existing utility corridor land, and associated buffer requirements. The developable area estimated for the Subject Properties as identified herein is based on indications by CXT Architects Inc. The developable area of the market evidence as relied upon herein is based on indications by market data sources, information

[4] Canadian Uniform Standards of Professional Appraisal Practice – Appraisal Institute of Canada (January 1, 2022)

from independent sources and/or measurements performed by Cushman & Wakefield. The developable acreage indications for the Subject Properties and the market indices are assumed to be reasonable as an Extraordinary Assumption herein.

- We have not been provided with independent professional land use planning, environmental, and/or engineering opinions for the purposes of this Appraisal. For the purposes of this Appraisal, all land use planning, environmental, and/or engineering matters are assumed to be as stated herein as an Extraordinary Assumption. Should independent professional opinion(s) be obtained and vary considerably from the indications herein, the Appraiser reserves the right to revisit the valuation opinion in this Appraisal.

- We have been provided with a letter by Masongsong Associates Engineering Limited, dated May 7, 2021 indicating that the Subject Properties are serviceable with an interim permanent municipal system along with private water and sewage systems, along with a breakdown of cost estimates. The availability of interim servicing solutions for the development of the Subject Properties is relied upon as an Extraordinary Assumption herein.

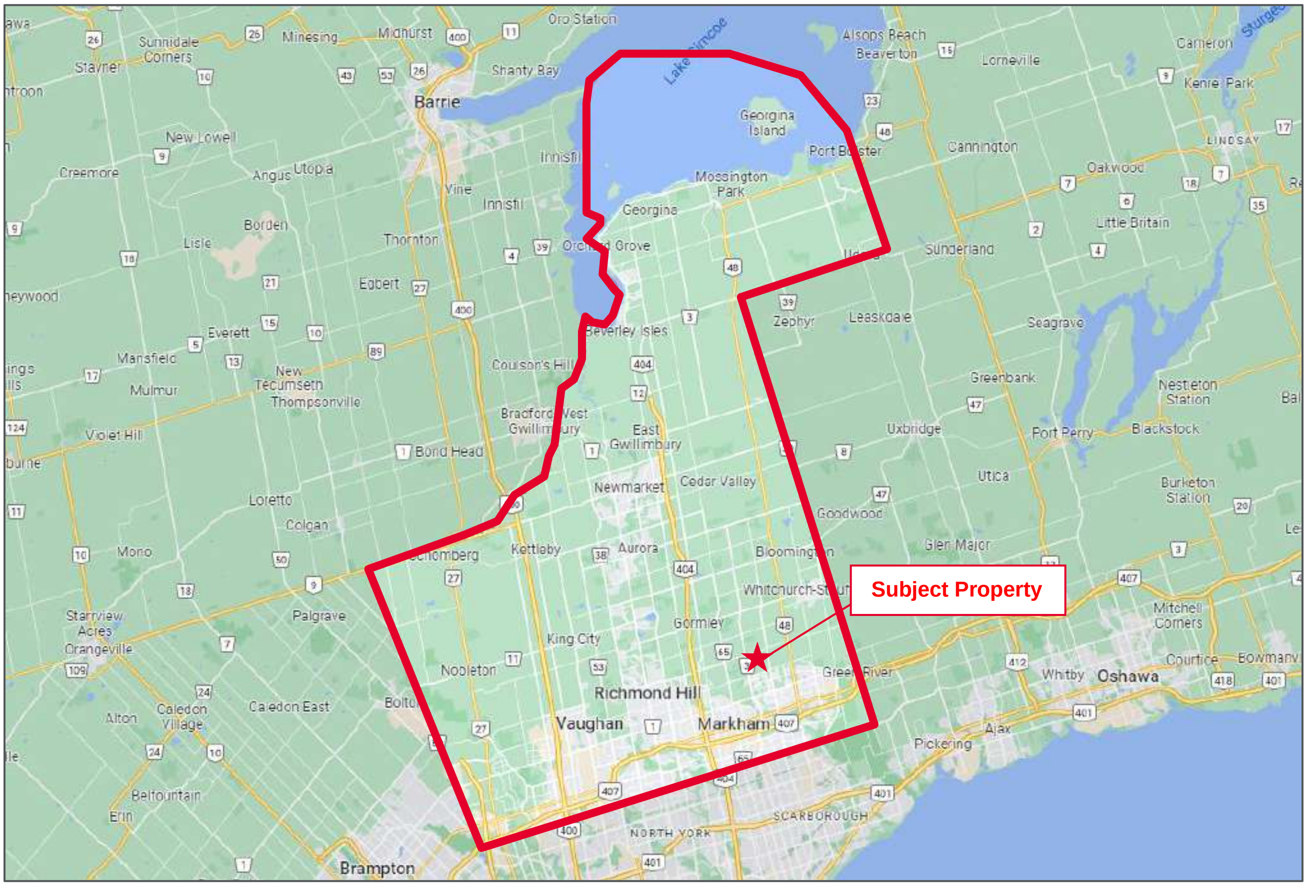
- As at the Effective Date, the Subject Properties are listed for sale by a mortgagee registered on title. We have been instructed not to communicate with the listing agent on account of pending litigation in connection with the listing of the Subject Properties by the mortgagee. On this basis, we are not aware of any offers to purchase, letters of intent, agreements of purchase and sale, or the like which may have a bearing on the appraisal analysis herein.

Section 3.0 Location Overview

3.0 Location Overview

The following section provides a description of the Regional Municipality of York and City of Markham, in which the Subject Property is located.

3.1 Region of York Overview



Source: Google Maps (2022)

Overview: The Regional Municipality of York ("York Region") is comprised of nine local municipalities: The Town of Aurora, the Town of East Gwillimbury, the Town of Georgina, Town of Richmond Hill, the Town of Whitchurch-Stouffville, the Town of Newmarket, the Township of King, the City of Markham, and the City of Vaughan. The Region covers an approximate area of 1,760 square kilometers, bordering the City of Toronto to the south, the Region of Peel to the west, the Region of Durham to the east, and Lake Simcoe and the Region of Simcoe to the north. York is part of the Greater Toronto Area, and is the third largest census municipality in Ontario by population, after the City of Toronto and the Region of Peel.

Transportation: The Region of York is accessible by air, water, train, and highway. The Toronto Pearson International Airport is the primary international airport in the Greater Toronto Area and the largest in Canada and is located approximately 8 kilometres southwest of the Region of York in the City of Mississauga. The Toronto Buttonville Municipal Airport is also located in York Region, in the City of Markham. The Region is also connected to the surrounding regions by way of train, with multiple GO Transit stations throughout providing passenger service across the GTA. Many large, major highways also provide connections to the City of Toronto, the Region of Peel, southwestern Ontario and the border with the United States, and further regions to the north of York, such as Highway No.404, Highway No.400, tolled Highway No.407, and Highway 48. Within the Region of York, public transportation is provided by York Region Transit (YRT), with approximately 140 bus routes connecting the local municipalities. The City of Toronto's public transit system, Toronto Transit Commission, also extends into the Region of York with two subway stations in the City of Vaughan as of 2017.

Demographics and Economy: The following table provides demographic and economic indicators for the Regional Municipality of York, at the time of the Statistics Canada Census of 2011, 2016, and 2021:

	2011	2016	2021
Population:	1,032,524	1,109,909	1,173,334
Population Growth:	15.7% from 2006	7.5% from 2011	5.7% from 2016
Median Age:	39.3	41.1	42.0
Average Household Size:	3.2	3.1	3.0
Unemployment Rate (%):	7.3%	6.4%	--
Average Total Household Income:	$110,751	$122,446	$140,400

Sources: Statistics Canada (2011, 2016, 2021)

Industry: A diverse range of employment is available in the Regional Municipality of York ("York Region") with over 53,900 international and local businesses operating throughout the city which generates an annual GDP of approximately $69.7 Billion.[5] York Region is the third largest business hub in Ontario and is home to Canada's secondar largest technology hub with over 4,500 companies, with the highest density of ICT companies among tech hubs in Canada relative to population size. The top private sector companies with head offices in York Region include GM Canada, IBM Canada, Magna International and AMD.[6]

According to the 2016 Census, the largest industry sectors by number of employees (% of total) were: Retail trade (11.25%); Professional, scientific and technical services (11.00%); Manufacturing (8.97%); Healthcare and Social Assistance (8.36%) Finance and insurance (8.16%) and Educational services (7.76%). In the 2016 Census, the total labour force population aged 15 years and over in the Regional Municipality of York was 604,200. The following table summarizes the largest employment sectors by NAICS Codes:

Sector	Employees	% of Total Workforce
Retail trade	67,995	11.25%
Professional, scientific and technical services	66,445	11.00%
Manufacturing	54,185	8.97%
Health care and social assistance	50,515	8.36%
Finance and insurance	49,315	8.16%
Educational services	46,900	7.76%

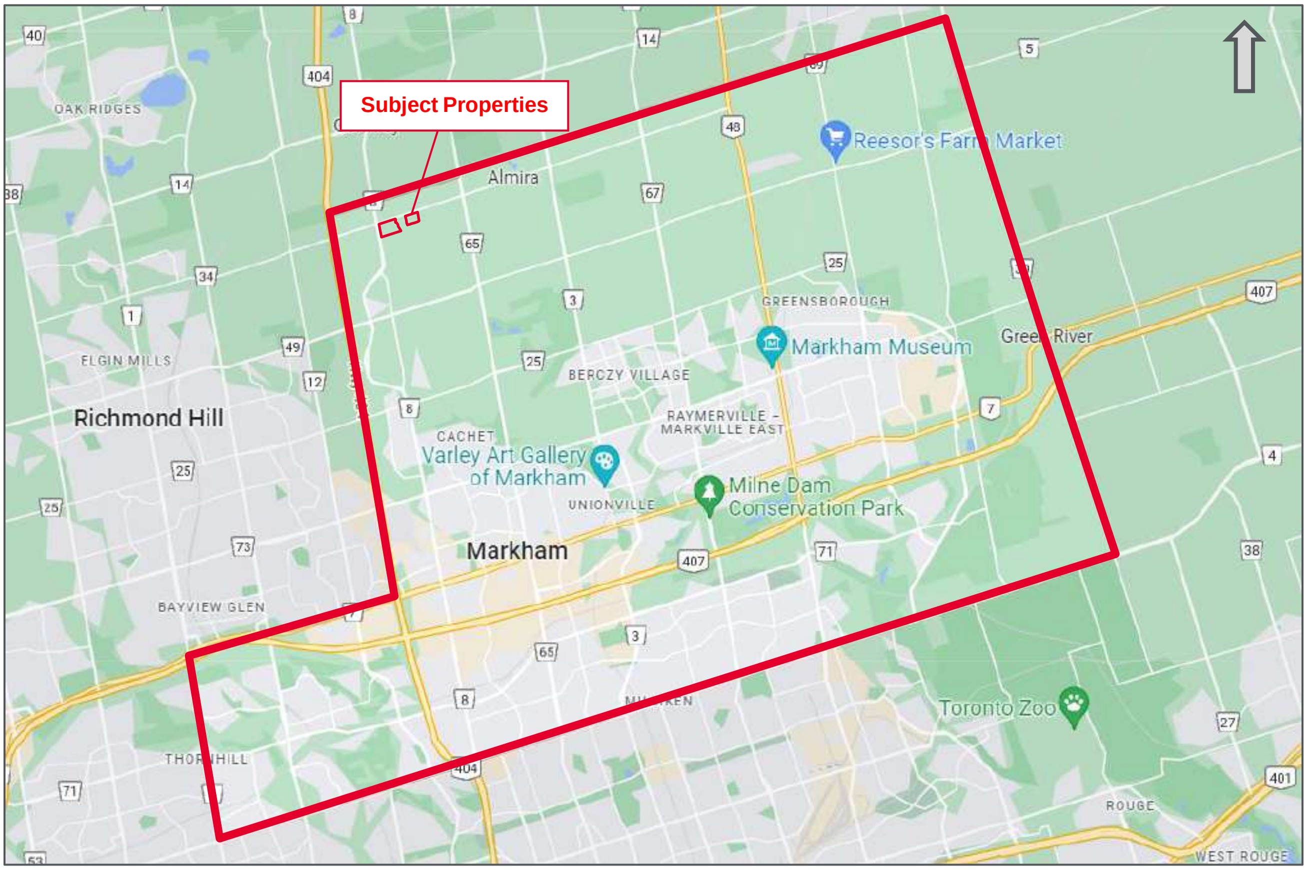
Source: Statistics Canada (2016 census)

Education: The Regional Municipality of York is served by the York Region District School Board (YRDSB), the York Catholic District School Board (YCDSB), the Conseil scolaire Viamonde and the Conseil scolaire catholique MonAvenir. Within the region, the four publicly funded school boards run a total of more than 300 schools, offering English and French instruction from Kindergarten to Grade 12.

[5] York Region. (2021). *Economic Indicators.*
[6] York Region. (2021). *Top Companies in York Region.*

Post-Secondary education within the City of Markham is offered at Seneca College's King and Markham campuses. These campuses offer approximately 50 full time programs with an enrollment of over 30,000 full-time students across all campuses.[7] York University is opening a new Markham campus in Fall 2023, offering academic undergraduate and graduate programs from four Faculties and the School of Continuing Studies.[8] York University's Markham campus is estimated to initially accommodate 4,200 students.[9]

3.2 City of Markham Overview



Source: Google Maps (2022) [Annotated by C&W]

Overview: The City of Markham ("Markham") is situated north of the City of Toronto in the Regional Municipality of York. The City covers an approximate area of 210.93 square kilometres[10], bordering City of Toronto to the south, City of Vaughan and City of Richmond Hill to the west, Town of Whitchurch–Stouffville to the north, and the City of Pickering to the east. The City of Markham along with the City of Vaughan, City of Richmond Hill, Town of Aurora, Town of East Gwillimbury, Town of Georgina, Town of Newmarket, Town of Whitchurch-Stouffville and the Township of King form the Regional Municipality of York (or "York Region").[11] The City of Markham along with the remainder of York Region, the neighbouring City of Toronto, Durham Region, Halton Region and Peel Region form the Greater Toronto Area (GTA). The GTA is the largest urban area in Canada by population and fifth largest in North America.

[7] Seneca College. (2022). *Markham Campus.*
[8] York University. (2022). *Markham Campus.*
[9] Ibid.
[10] Statistics Canada. (2016). *2016 Canada Census Profile, City of Markham.*
[11] York Region. (2021). *Local Municipalities*.

Transportation: Highway Nos. 404 and 407 provide divided highway transportation throughout the City of Markham, as well as provide connections throughout the entire Greater Toronto Area and surrounding regions. Highways No. No. 404 traverses the western part of the city in a north-south orientation, connecting Don Valley Parkway (DVP) from the City of Toronto to other municipalities to the north. Highway No. 407 is an east-west throughfare in the GTA and extends from Burlington, Ontario northeast to Clarington, Ontario. Markham is served by two airports: Buttonville Municipal Airport ("Buttonville Airport") and Toronto Pearson International Airport ("Toronto Pearson"). Buttonville Municipal Airport is a general aviation airport mainly used for flight training located in Markham.[12] Toronto Pearson International Airport, located in the City of Mississauga, approximately 30 kilometers southwest of Markham, is the primary international airport in the Greater Toronto Area and the largest and busiest airport in Canada.[13] Toronto Pearson offers regular direct flights to six continents and approximately 180 destinations, serving more than 40 million passengers annually.[14]

Local Public Transportation is provided by York Region Transit (YRT), is a regional transportation system that provides bus rapid transit (BRT) services (also named as "Viva") and local ground-level bus services within York Region.[15] Interregional transit is managed throughout the GTA by Metrolinx' GO Transit, which offers bus routes and commuter rail services throughout the city and region. There are four (4) existing GO Train stations located in The City of Markham.[16] GO Train service is generally oriented towards Toronto Union station in the downtown core. However, Metrolinx has stated that it intends to expand GO Train service to provide more localized transit options in addition to interregional transport.

Demographics and Economy: The following table provides demographic and economic indicators for the City of Markham, at the time of the Statistics Canada Census of 2011, 2016, and 2021:

	2011	2016	2021
Population:	301,709	328,966	338,503
Population Growth:	15.3% from 2006	9.0% from 2011	2.9% from 2016
Median Age:	39.6	41.1	42.4
Average Household Size:	3.3	3.2	3.0
Unemployment Rate (%):	8.1%	7.3%	--
Average Total Household Income:	$108,520	$113,087	$130,800

Sources: Statistics Canada (2011, 2016, 2021)

Industry: A diverse range of employment is available in the City of Toronto with over 10,800 international and local businesses operating throughout the city.[17] The City of Markham is a leader in attracting foreign direct investment with foreign companies employing more than 32,000 people. Markham also has the highest concentration of IT Employment per capita in Canada – with over 1,500 technology and life sciences companies which employ approximately 35,400 people. The top employers in the City of Markham include IBM Canada Ltd., TD Financial Group, City of Markham and Aviva Canada.[18]

According to the 2016 Census, the largest industry sectors by number of employees (% of total) were: Professional, scientific and technical services (11.98%); Retail trade (10.94%); Finance and insurance (10.20%); Manufacturing (8.81%); Healthcare and Social Assistance (8.17%) and Accommodation and food

[12] Skies. (2022). *Buttonville Airport's future is still uncertain.*
[13] Greater Toronto Airports Authority. (2022).
[14] Greater Toronto Airports Authority. (2017).
[15] York Region Transit. (2022). *Schedules and Maps.*
[16] GO Transit. (2022). *System map.*
[17] City of Markham. (2021). *Markham Economic Profile 2022.*
[18] Ibid.

services (6.99%). In the 2016 Census, the total labour force population aged 15 years and over in the City of Toronto was 172,135. The following table summarizes the largest employment sectors by NAICS Codes:

Sector	Employees	% of Total Workforce
Professional, scientific and technical services	20,615	11.98%
Retail trade	18,830	10.94%
Finance and insurance	17,555	10.20%
Manufacturing	15,160	8.81%
Health care and social assistance	14,060	8.17%
Accommodation and food services	12,035	6.99%

Source: Statistics Canada (2016 census)

Education: The City of Markham is served by the York Region District School Board (YRDSB), the York Catholic District School Board (YCDSB), the Conseil scolaire Viamonde and the Conseil scolaire catholique MonAvenir. Within the city, the four publicly funded school boards run a total of more than 50 schools, offering English and French instruction from Kindergarten to Grade 12.

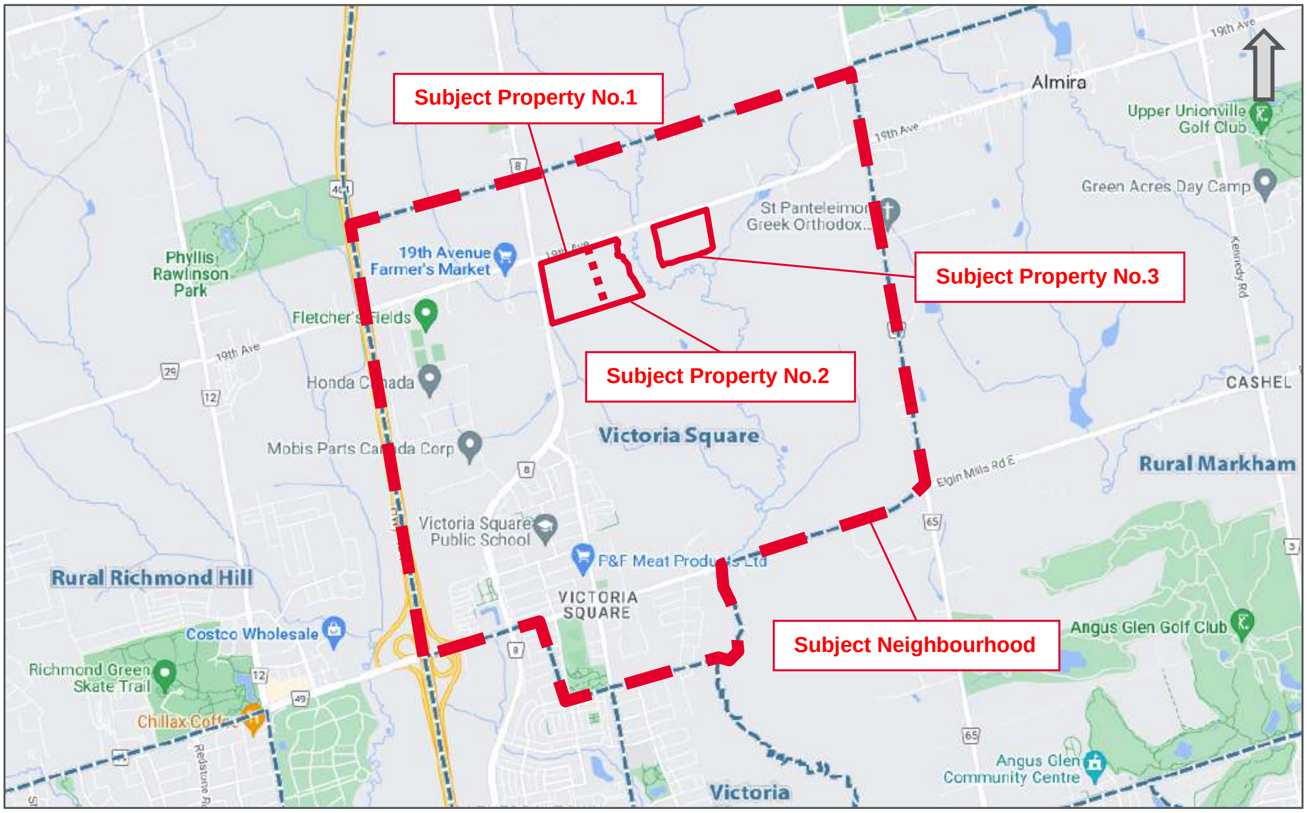
Post-Secondary education within the City of Markham is offered at Seneca College's Markham campus. The campus offers approximately 20 full time programs with an enrollment of over 30,000 full-time students across all campuses.[19] York University, located in northwest Toronto, is opening a new Markham campus in Fall 2023 near Downtown Markham, offering academic undergraduate and graduate programs from four Faculties and the School of Continuing Studies.[20] York University's Markham campus is estimated to initially accommodate 4,200 students.[21]

[19] Seneca College. (2022). *Markham Campus.*
[20] York University. (2022). *Markham Campus.*
[21] Ibid.

3.3 Neighbourhood Analysis

The following is an overview of the neighbourhood in which the Subject Properties are located. The Neighbourhood Analysis forms the basis for understanding and assessing the market area, micro-economic factors, including supply and demand, and location-specific trends that impact the Subject Properties.

Subject Properties in Context of Neighbourhood



Source: Toronto Regional Real Estate Board Map (2023) [Annotated by C&W]

Location: The subject neighbourhood is generally referred to as Victoria Square. The neighbourhood is located in northwest Markham, bordering the rural parts of Town of Whitchurch-Stouffville to the north and The City of Richmond Hill to the West. The neighbourhood extends on the boundary of City of Markham on the North and West, and along existing urban areas on the South.

Access: Access to the subject neighbourhood is provided by major thoroughfares and arterial roadways, including Highway No. 404, Elgin Mills Road E, 19th Avenue, Woodbine Avenue and Warden Avenue. Highway No. 404 is an eight (8) lane access-controlled highway traversing north-west on the western border of the neighbourhood. The Subject Properties are approximately 2.5 km from the nearest Highway Interchange at Elgin Mills Road East and Highway No. 404. Additional interchanges are approximately 4.5 km (16th Street and Highway No.404) from the Subject Properties.

Land Use: The subject neighbourhood is comprised of a mix of residential, employment, agricultural and rural land uses. Lands in the southwest portion of the neighbourhood are generally designated as 'Residential Low Rise' in the City of Markham Official Plan. These designations generally permit low density residential uses. The northwest portion of the neighbourhood are generally designated as 'Business Park Employment' and 'General Employment' in the City of Markham Official Plan. These designations generally permit a range of industrial and commercial uses. Large portions to the east in the neighbourhood are designated as 'Future Employment Area' in the City of Markham Official Plan, These designations generally permit future development subject to land use control approval while some parts of the neighbourhood with natural features are designated as 'Greenway' which generally limits development.

Neighbouring Properties: The general use of properties immediately surrounding the Subject Properties are as follows:

Subject Property No.1

North: Immediately to the north, Subject Property No.1 fronts onto the southside of 19th Avenue. 19th Avenue is an east-west thoroughfare in the subject neighbourhood, traversing northern Markham and extends into the City of Richmond Hill. Across 19th Avenue is a rural single detached dwelling and agricultural land. Beyond the agricultural land are additional rural residential dwellings and agricultural land. Further north is the Hamlet of Gormley which has some employment and commercial uses.

East: Immediately to the east, Subject Property No.1 abuts Subject Property No.2. Beyond Subject Property No.2 is a watercourse which is within the Greenbelt. Beyond the watercourse is Subject Property No.3. Beyond Subject Property No.3 is additional agricultural land.

South: Immediately to the south, Subject Property No.1 abut agricultural land. Further south is Victoria Square, a suburban community mainly comprising residential uses and limited commercial uses along main thoroughfares. There is also an employment area in the northwest corner of Victoria Square.

West: Immediately to the west, Subject Property No.1 fronts onto the east side of Woodbine Avenue. Woodbine Avenue is a north-south throughfare in the subject neighbourhood. Across Woodbine Avenue is a vacant land lot. Beyond the vacant lot is a commercial property that fronts on 19th Avenue. Further west are additional employment and agricultural land, and Highway No. 404. Beyond Highway No. 404 is the City of Richmond Hill.

Subject Property No.2

North: Immediately to the north, Subject Property No.2 fronts onto the southside of 19th Avenue. 19th Avenue is an east-west thoroughfare in the subject neighbourhood, traversing northern Markham and extends into the City of Richmond Hill. Across 19th Avenue is agricultural land. Beyond the agricultural land are additional rural residential dwellings and agricultural land. Further north is the Hamlet of Gormley which has some employment and commercial uses.

East: Immediately to the east, Subject Property No.2 abuts a watercourse which is within the Greenbelt. Beyond the watercourse is Subject Property No.3. Beyond Subject Property No.3 is additional agricultural land.

South: Immediately to the south, Subject Property No.2 abuts agricultural land. Further south is Victoria Square, a suburban community mainly comprising residential uses and limited commercial uses along main thoroughfares. There is also an employment area in the northwest corner of Victoria Square.

West: Immediately to the west, Subject Property No.2 abuts Subject Property No.1. Subject Property No.1 fronts on the east side of Woodbine Avenue, a north-south throughfare in the subject neighbourhood. Across Woodbine Avenue is a vacant land lot.

Subject Property No.3

North: Immediately to the north, Subject Property No.3 fronts onto the southside of 19th Avenue. 19th Avenue is an east-west thoroughfare in the subject neighbourhood, traversing northern Markham and extends into the City of Richmond Hill. Across 19th Avenue is a rural single detached dwelling and agricultural land. Beyond the agricultural land are additional rural residential dwellings and agricultural land. Further north is the Hamlet of Gormley which has some employment and commercial uses.

East: Immediately to the east, Subject Property No.3 abuts agricultural land. Beyond the agricultural land is additional agricultural lands that front on the west side of Warden Avenue.

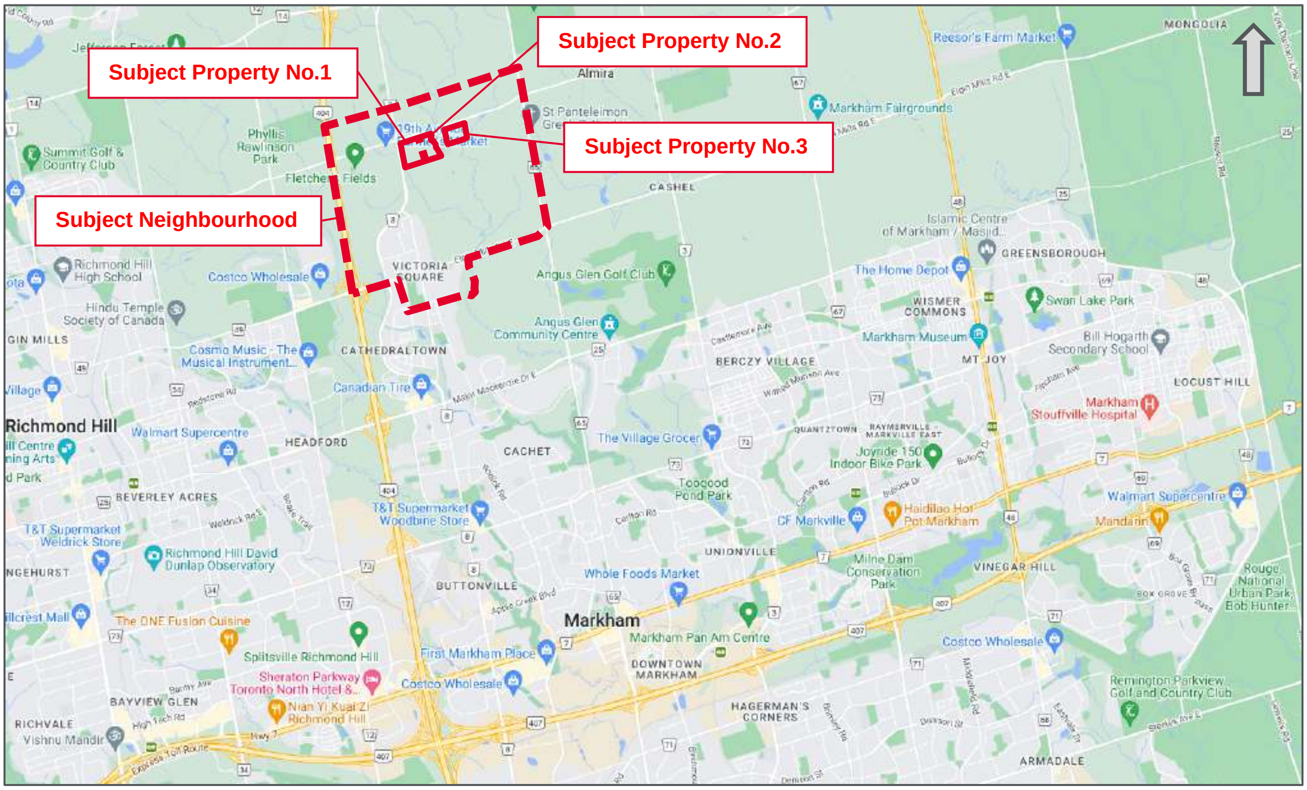
South: Immediately to the south, Subject Property No.3 abuts a watercourse and natural features that are within the Greenbelt. Beyond the Greenbelt are additional agricultural lands.

West: Immediately to the west, Subject Property No.3 abuts a watercourse which is within the Greenbelt. Beyond the Greenbelt is Subject Property No.2. Further west is Subject Property No.1.

Neighbourhood Characteristics: The neighbourhood is along the existing urban boundary. The western and southern portions of the neighbourhood are generally in urban use with low density residential properties and limited commercial uses along arterial roads while portions to the northeast are generally in interim rural uses. The neighbourhood has been transitional to urban use through urban boundary expansion. The greenbelt traverses the eastern part of the neighbourhood mainly along watercourses.

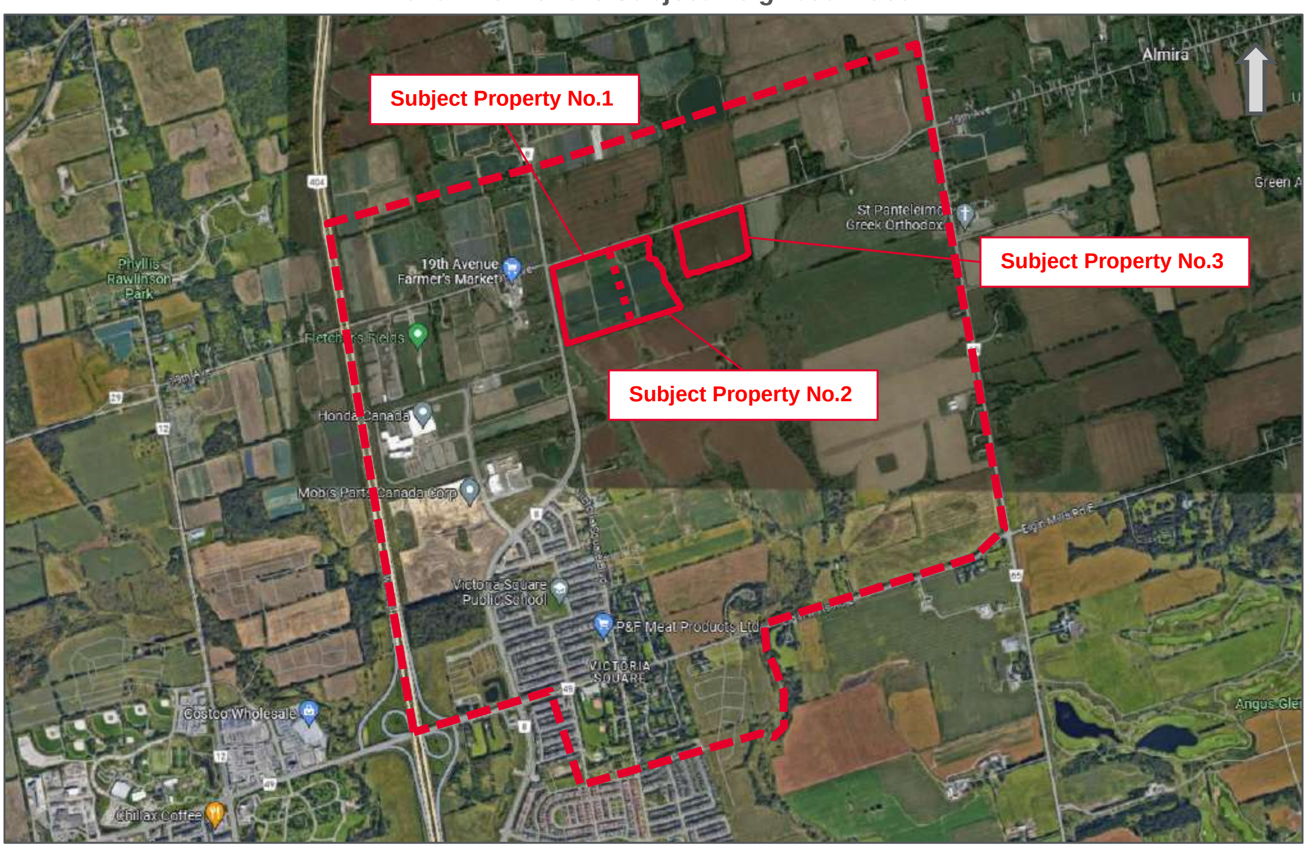
A location map and aerial view of the Neighbourhood in which the Subject Properties are located are provided on the following page.

Subject Neighbourhood in the Context of the City of Markham



Source: Toronto Regional Real Estate Board Map (2023) [Annotated by C&W]

Aerial View of the Subject Neighbourhood



Source: Google Maps (2023) [Annotated by C&W]

Section 4.0

Description of the Subject Properties

4.0 Description of the Subject Properties

The following section provides descriptions of the Subject Properties based on information provided by the Client, collected on inspection, and obtained in our research.

4.1 Real Property Rights

Subject Property No.1

Municipal Address:	3143 19th Avenue, Markham, ON.
Legal Description:	PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN 65R39880 AS IN YR3454770; CITY OF MARKHAM.
Parcel Identification No. (PIN):	03055-0377 (LT).
Assessment Roll No(s).:	19-36-020-160-83550-0000.
Assessment (2016):	The property was assessed in 2016 at a value of $1,013,000 along with Subject Property Nos. 2 and 3.
Ownership History:	The registered owner of the Subject Property is Tung Kee Investment Canada Ltd. whom purchased the property as part of a larger parcel on March 3, 1993 for a stated consideration of $1,611,800. As at the Effective Date, there is an active listing for the sale of Subject Property No.1 along with the other Subject Properties with an asking price of $64,500,000. It is our understanding that the listing has been listed on the MLS System since April 2023. We have been provided with a copy of an executed Agreement of Purchase and Sale between Tung Kee Investment Canada Ltd. (as vendor) and JIA Asia Asset Management Pte Ltd. (as purchaser), dated October 6, 2022, subject to conditions. It is our understanding that the vendor is required to construct a “turnkey 4 star rated hotel” containing Gross Floor Area of approximately 100,000 square feet, at their own cost, upon Subject Property No.1, prior to the closing of the transaction. The agreement has a stated consideration of $96,000,000 CAD.
Opportunities for Assemblage:	Based on our review and analysis of the neighbouring properties and market trends, there is an opportunity for assemblage with an adjoining property (Subject Property No.2).

Subject Property No.2

Municipal Address:	3143 19th Avenue, Markham, ON.

Legal Description:	PART LOT 30, CONCESSION 4, PARTS 2, 6 & 7 PLAN 65R39839; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770; CITY OF MARKHAM.
Parcel Identification No. (PIN):	03055-0380 (LT).
Assessment Roll No(s).:	19-36-020-160-83550-0000.
Assessment (2016):	The property was assessed in 2016 at a value of $1,013,000 along with Subject Property Nos. 1 and 2.
Ownership History:	The registered owner of the Subject Property is Tung Kee Investment Canada Ltd. whom purchased the property on March 3, 1993 as part of a larger parcel for a stated consideration of $1,611,800. As at the Effective Date, there is an active listing for the sale of Subject Property No.2 along with the other Subject Properties with an asking price of $64,500,000. It is our understanding that the listing has been listed on the MLS System since April 2023. We have been provided with a copy of an Agreement of Purchase and Sale between Tung Kee Investment Canada Ltd. (as vendor) and Element Media Group Inc. (as purchaser), dated April 30, 2022, for a stated consideration of $29,292,699 USD ($37,670,397 CAD)[22], subject to conditions.
Opportunities for Assemblage:	Based on our review and analysis of the neighbouring properties and market trends, there is an opportunity for assemblage with an adjoining property (Subject Property No.1) that may increase the value of the Subject Property.

Subject Property No.3

Municipal Address:	3143 19th Avenue, Markham, ON.
Legal Description:	PART LOT 30, CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770 CITY OF MARKHAM.
Parcel Identification No. (PIN):	03055-0379 (LT).
Assessment Roll No(s).:	19-36-020-160-83506-0000.
Assessment (2016):	The property was assessed in 2016 at a value of $1,013,000 along with Subject Property Nos. 1 and 2.

[22] Based on a USD/CAD currency conversion rate 1.286 April 30, 2020.

Ownership History:	The registered owner of the Subject Property is Tung Kee Investment Canada Ltd. whom purchased the property as part of a larger parcel on March 3, 1993 for a stated consideration of $1,611,800. As at the Effective Date, there is an active listing for the sale of Subject Property No.3 along with the other Subject Properties with an asking price of $64,500,000. It is our understanding that the listing has been listed on the MLS System since April 2023. We have been provided with a copy of an Agreement of Purchase and Sale between Tung Kee Investment Canada Ltd. (as vendor) and Element Media Group Inc. (as purchaser), dated April 30, 2022, for a stated consideration of $26,303,103 USD ($33,825,790 CAD)[23], subject to conditions.
Opportunities for Assemblage:	Based on our review and analysis of the neighbouring properties and market trends, there does not appear to be a feasible opportunity for assemblage with adjoining properties.

4.2 Site Description

Subject Property No.1

Site Area: 34.157 acres (per Plan 65R-39839).

Site Configuration and Topography: Approximately rectangular with a mostly-level topography.

Site Dimensions:

Northern Limit:	1,054.80 feet.	(19th Avenue frontage).
Eastern Limit:	1,316.57 feet.	
Southern Limit:	1,210.47 feet.	
Western Limit:	1,322.45 feet.	(Woodbine Avenue frontage).

Block Position: On the southeast corner of Woodbine Avenue and 19th Avenue.

Vehicular Access: One (1) point of ingress and egress along 19th Avenue.

Soil Conditions: We have been provided with a Phase I Environmental Site Assessment (ESA) by exp Services Inc., dated July 2015. The Phase I ESA concludes that there is a low potential for environmental risk and no further soil and groundwater investigations, such as Phase II ESAs are considered warranted for the site.

Municipal Services & Utilities: The site is un-serviced and municipal services were not available at the lot line as at the Effective Date herein.

[23] Based on a USD/CAD currency conversion rate 1.286 April 30, 2020.

Current Use: The site appeared to be in use for agricultural purposes at the Effective Date.

Subject Property No.2

Site Area: 21.756 acres (per 65R-39839).

Site Configuration and Topography: Approximately irregular with a mostly-level topography.

Site Dimensions:

Northern Limit:	664.11 feet.	(19th Avenue frontage).
Eastern Limit:	1,514.51 feet.	
Southern Limit:	843.55 feet.	
Western Limit:	1,279.01 feet.	

Block Position: Mid-block on the south side of 19th Avenue between Woodbine Avenue and Warden Avenue.

Vehicular Access: One (1) point of ingress and egress along 19th Avenue.

Soil Conditions: We have been provided with a Phase I Environmental Site Assessment (ESA) by exp Services Inc., dated July 2015. The Phase I ESA concludes that there is a low potential for environmental risk and no further soil and groundwater investigations, such as Phase II ESAs are considered warranted for the site.

Municipal Services & Utilities: The site is un-serviced and municipal services were not available at the lot line as at the Effective Date herein.

Current Use: The site appeared to be in use for agricultural purposes at the Effective Date.

Subject Property No.3

Site Area: 24.105 acres (per 65R-39839).

Site Configuration and Topography: Approximately rectangular with a mostly-level topography.

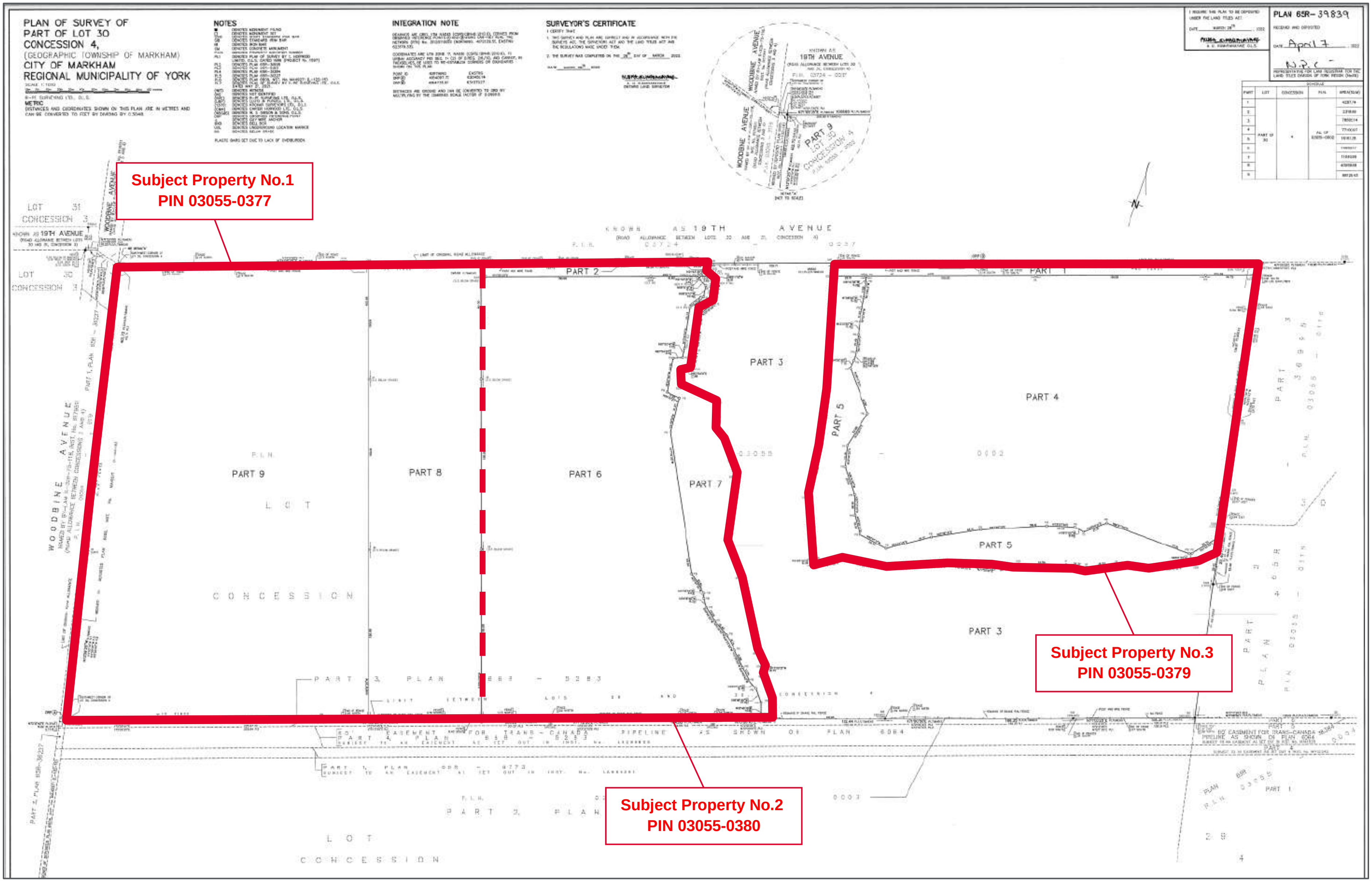
Site Dimensions:

Northern Limit:	1,232.75 feet.	(19th Avenue frontage).
Eastern Limit:	842.63 feet.	
Southern Limit:	876.23 feet.	
Western Limit:	1,185.53 feet.	

Block Position: Mid-block on the south side of 19th Avenue between Woodbine Avenue and Warden Avenue.

Vehicular Access:	One (1) point of ingress and egress along 19^{th} Avenue.
Soil Conditions:	We have been provided with a Phase I Environmental Site Assessment (ESA) by exp Services Inc., dated July 2015. The Phase I ESA concludes that there is a low potential for environmental risk and no further soil and groundwater investigations, such as Phase II ESAs are considered warranted for the site.
Municipal Services & Utilities:	The site is un-serviced and municipal services were not available at the lot line as at the Effective Date herein.
Current Use:	The site appeared to be in use for agricultural purposes at the Effective Date.

Plan 65R-39839



Source: R-PE Surveying Limited (2022) [Annotated by C&W]

Photographs of Subject Properties (taken on September 24, 2023)

Looking south at 19th Avenue and Woodbine Avenue.

Looking west along eastern property boundary.

Looking west along northern property boundary.

View looking south towards Subject Property No.3.

View looking south towards Subject Property No.1.

View towards east of Subject Property from Woodbine Avenue.

4.3 Land Use Controls and Considerations

The following section provides overview and description of the planning policy framework at the Effective Date herein, specifically the Greenbelt Plan, Regional Municipality of York, City of Markham Official Plan, Minister's Zoning Order (Ontario Regulation 599/21) and City of Markham in-place Zoning By-Law.

4.3.1 Greenbelt Plan

The Greenbelt Plan, introduced in 2005 under the Greenbelt Act, provides permanent protection to the agricultural land base and the ecological and hydrological features, areas and functions occurring on the landscape. A small portion of the Subject Properties in the east side of Subject Property No. 2, is located within the Greenbelt Plan and are subject to regulations and policies under the Plan. An excerpt from the Greenbelt Plan Map is provided below.

Source: Greenbelt Plan 2017 [Annotated by C&W]

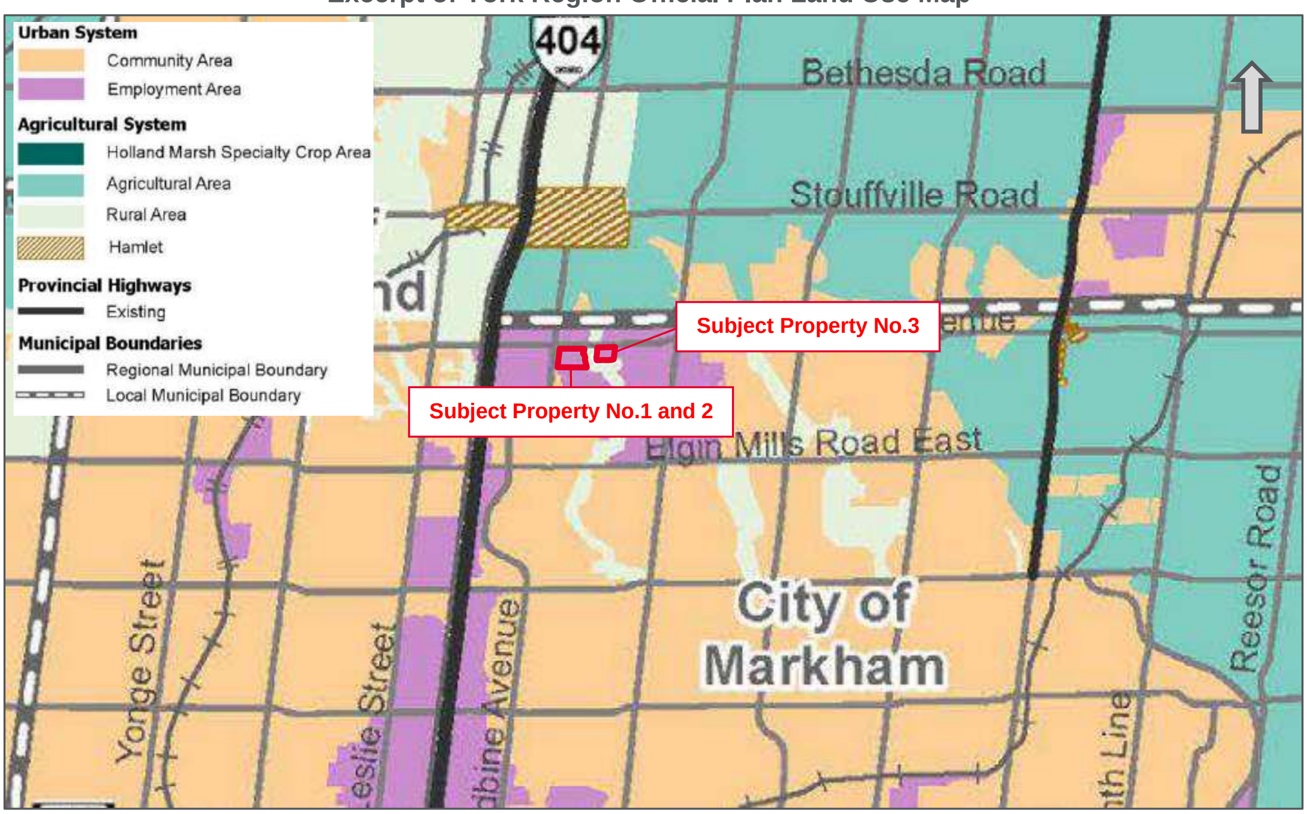
The Subject Properties are understood to have been sub-divided from a larger parcel which included lands inside and governed by the Greenbelt Plan. We understand those lands to be non-developable and have been conveyed to the City of Markham. The small portion within the Greenbelt Plan mentioned in the prior paragraph are also considered non-developable. Developable acreage is further discussed in Section 4.3.7.

4.3.2 Regional Municipality of York Official Plan Designation

York Region Official Plan (2022):	Designated “Employment Area” within an “Urban Area”.
Select Relevant Policies:	Employment lands are major drivers of economic activity, and contain over 50% of York Region’s jobs. These lands play a significant role in York Region’s economy, primarily accommodating industrial, warehouse, logistics, goods and service producing business uses. It is expected that the range of employment uses will continue to diversify, including more knowledge-based industries. The Plan recognizes the importance of enhancing the long-term viability of employment lands by ensuring their protection and providing efficient and effective land use planning and design. It is important to separate sensitive land uses such as residential uses from industry where there may be heavy truck movement, 24-hour operations, noise and emissions. It is intended that core employment areas be identified and protected to allow for traditional employment uses with limited opportunity for retail and institutional uses. Supporting Employment Areas are expected to provide for a broader range and mix of employment and have more flexibility.

An excerpt from the relevant York Region Official Plan (2022) is provided on the following page.

Excerpt of York Region Official Plan Land Use Map



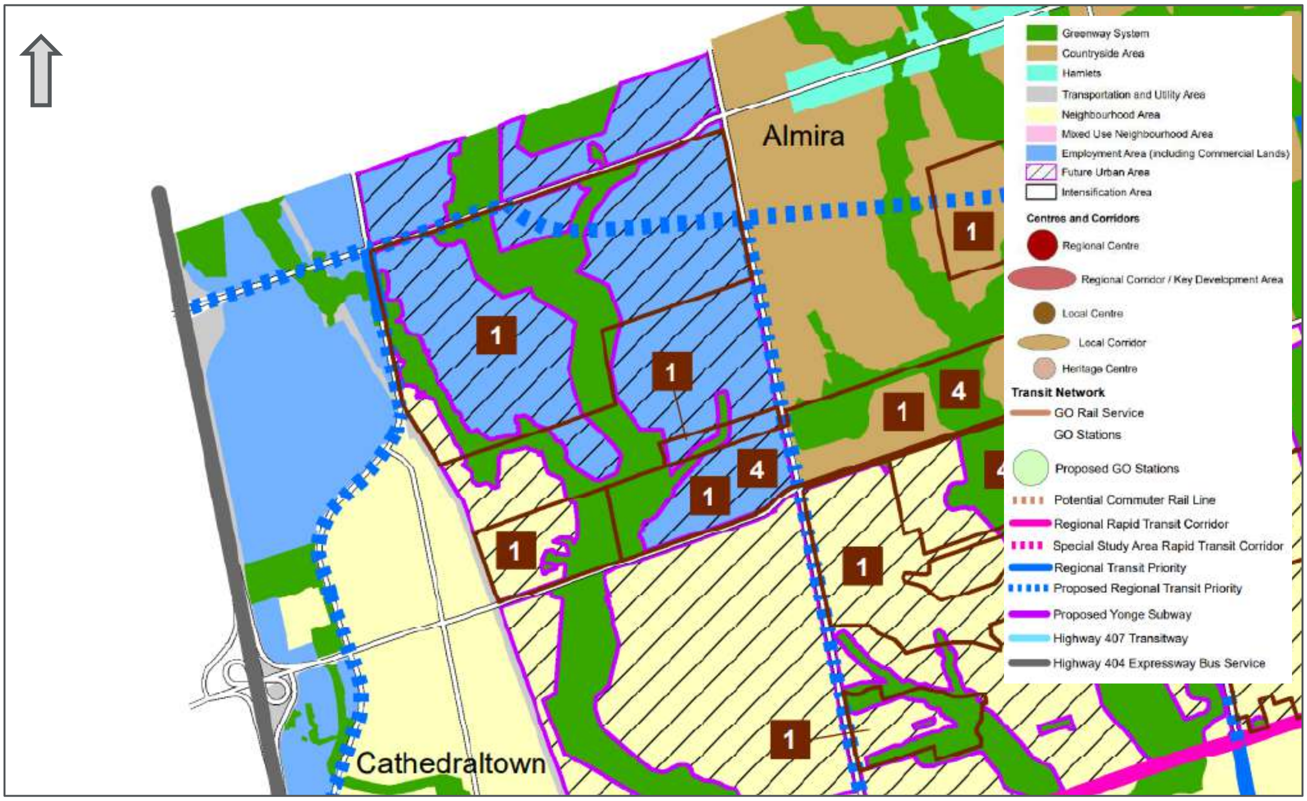
Source: York Region Official Plan Map 1A [Annotated by C&W]

4.3.3 City of Markham Official Plan Designation

City of Markham Official Plan (2014):	Designated "Future Employment Areas" and "Greenway" in a Future Urban Area.
Select Relevant Policies:	Identification of the 'Future Employment Area' lands, strategically located near Highway 404 and contiguous with existing designated 'Employment Lands' as a priority area for generation of employment in the future. This area will be carefully planned and protected to maximize its capability to provide a range of jobs in accordance with the preferred 'Employment Lands' designations and policies. That for the lands designated 'Future Neighbourhood Area' and 'Future Employment Area' north of Major Mackenzie Drive and east of Woodbine Avenue as shown on Map 3 – Land Use, prior to any development approvals for urban uses, the following matters will be addressed: a) a subwatershed plan(s) will be approved in accordance with the requirements of Sections 3.3.1.3 and 3.3.1.4; b) a Conceptual Master Plan will be endorsed to establish a broad planning framework and structural elements within which Markham can guide the overall direction and form of growth for secondary plans on these 'Future Urban Area' lands in accordance with Section 8.12.1.4 and the sustainable community policies of Sections 6.2 and 6.3; and c) a master environmental servicing plan will be approved in accordance with Section 3.5.1; and d) a secondary plan or concurrent secondary plans determining specific land use designations and related policies will be approved in accordance with Section 10.1.2 and the submission requirement of Section 10.1.2 .4 c) of this Plan and Sections 4.3 and 5.6 of the Regional Official Plan.

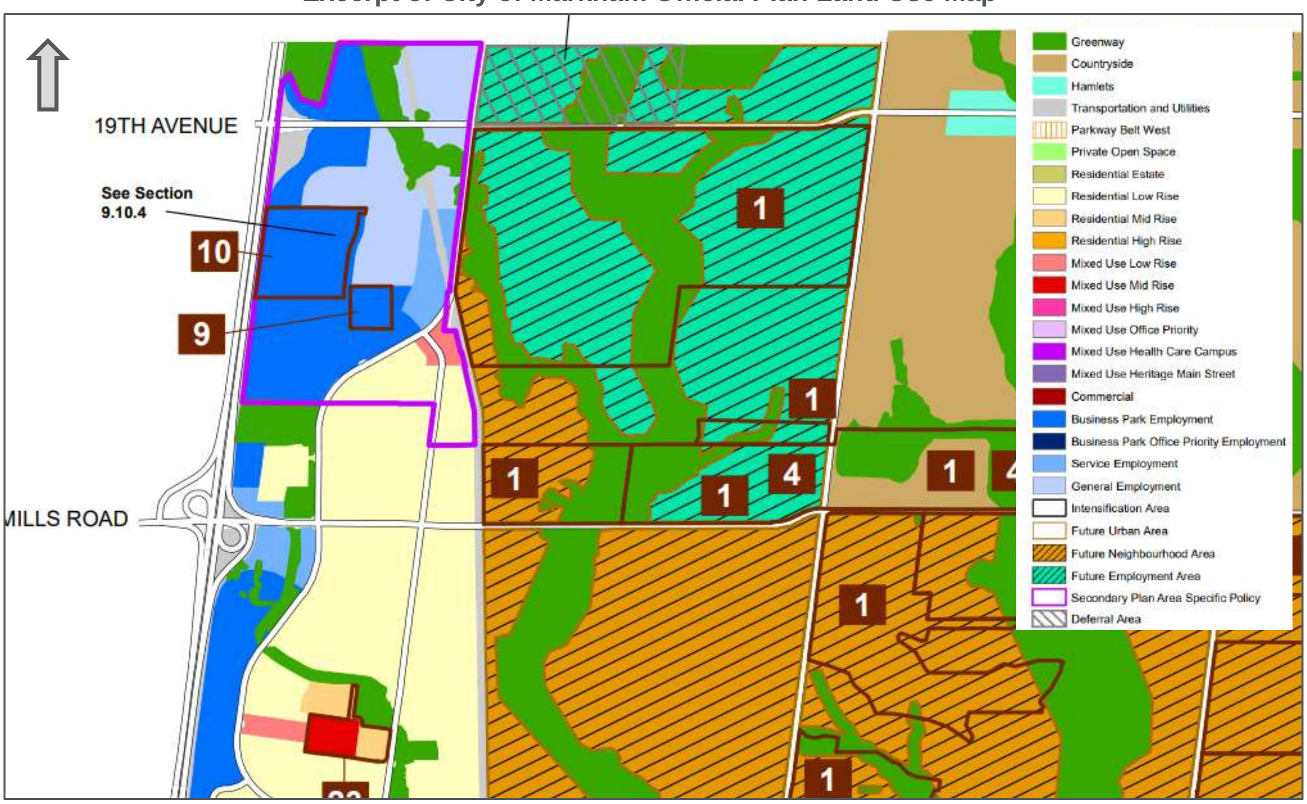
An excerpt from the relevant City of Markham Official Plan (2014) is provided on the following page.

Excerpt of City of Markham Official Plan Urban Structure Map



Source: City of Markham Official Plan Map 1 [Annotated by C&W]

Excerpt of City of Markham Official Plan Land Use Map



Source: City of Markham Official Plan Map 3 [Annotated by C&W]

4.3.4 Minister's Zoning Order (MZO)

In accordance with a Minister's Zoning Order (MZO) issued by the Ministry of Municipal Affairs and Housing (MMAH) through Ontario Regulation 599/21, the majority of the Subject Properties are classified "Business Park" (BP). The future development of the Subject Properties is still subject to municipal review and approval of future draft plan of subdivision and site plan applications.

Select Relevant Policies:

In this Order, "commercial use" means a use, building or structure that primarily serves the employment use and production studio, including,

a) an art gallery,
b) a child care centre,
c) a commercial fitness centre,
d) a nightclub,
e) a personal service shop,
f) a place of amusement,
g) a place of entertainment,
h) a recreation establishment,
i) a retail store,
j) a restaurant,
k) a take-out restaurant, and
l) a theatre;

"employment use" means an industrial use, a business office, a medical office, a trade and convention centre or a production studio;

"hotel" means a non-residential establishment for temporary overnight accommodation not exceeding 180 consecutive days that is open to the public, which may include individual hotel rooms that include cooking facilities and which may include accessory meeting facilities, recreation facilities, restaurants, a banquet hall and retail stores, all of which are located on the same lot;

"production studio" means the use of land, buildings or structures where live broadcasts, motion pictures or audio or video recordings or transmissions are filmed, produced or edited and includes other accessory uses;

"Zoning By-law" means Zoning By-law 177-96 of the City of Markham.

<u>Permitted uses — Business Park Zone 3</u>

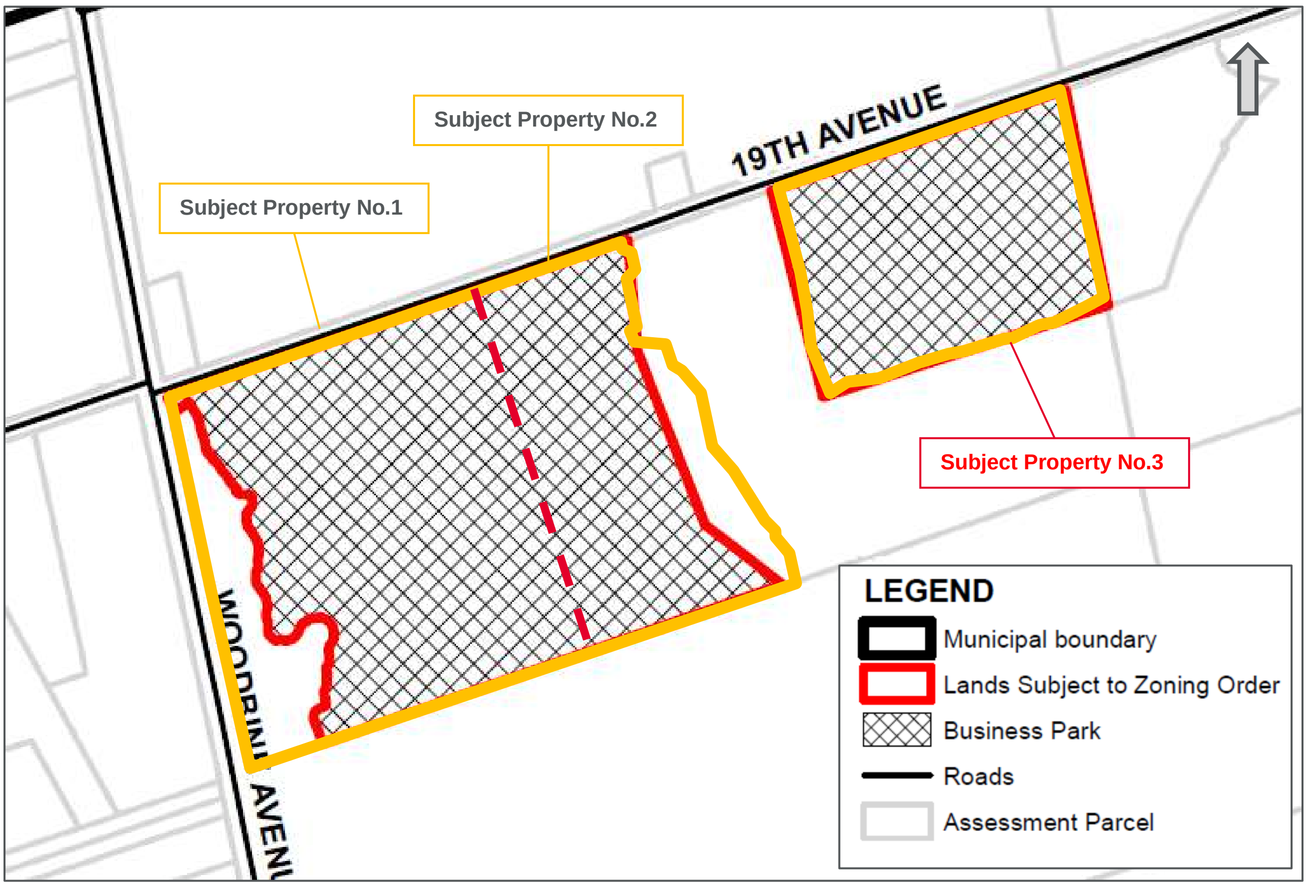
Every use of land and every erection, location or use of any building or structure is prohibited on the lands located in the area shown as the Business Park Zone on the map referred to in section 2, except for,

a) all uses permitted in the Business Park Zone under the Zoning By-law;
b) all uses permitted in the Greenway Zone under the Zoning By-law;
c) commercial uses;
d) a hotel;
e) a private park; and
f) a production studio.

The reader should refer to the Minister's Zoning Order (MZO) for further information.

An excerpt from the Minister's Zoning Order (MZO) map is provided below.

Excerpt of Minister's Zoning Order Map



Source: Ministry Zoning Order Map of O. REG 599/21 NO. 270 [Annotated by C&W]

4.3.5 Zoning Classification

Typically, the Zoning By-law classifies properties into various land uses in a municipality. Prior to the Minister's Zoning By-law filed in August 2021, the Subject Properties were classified Agriculture (A1) and Open Space (O1) under City of Markham Zoning By-Law (304-87). [24]

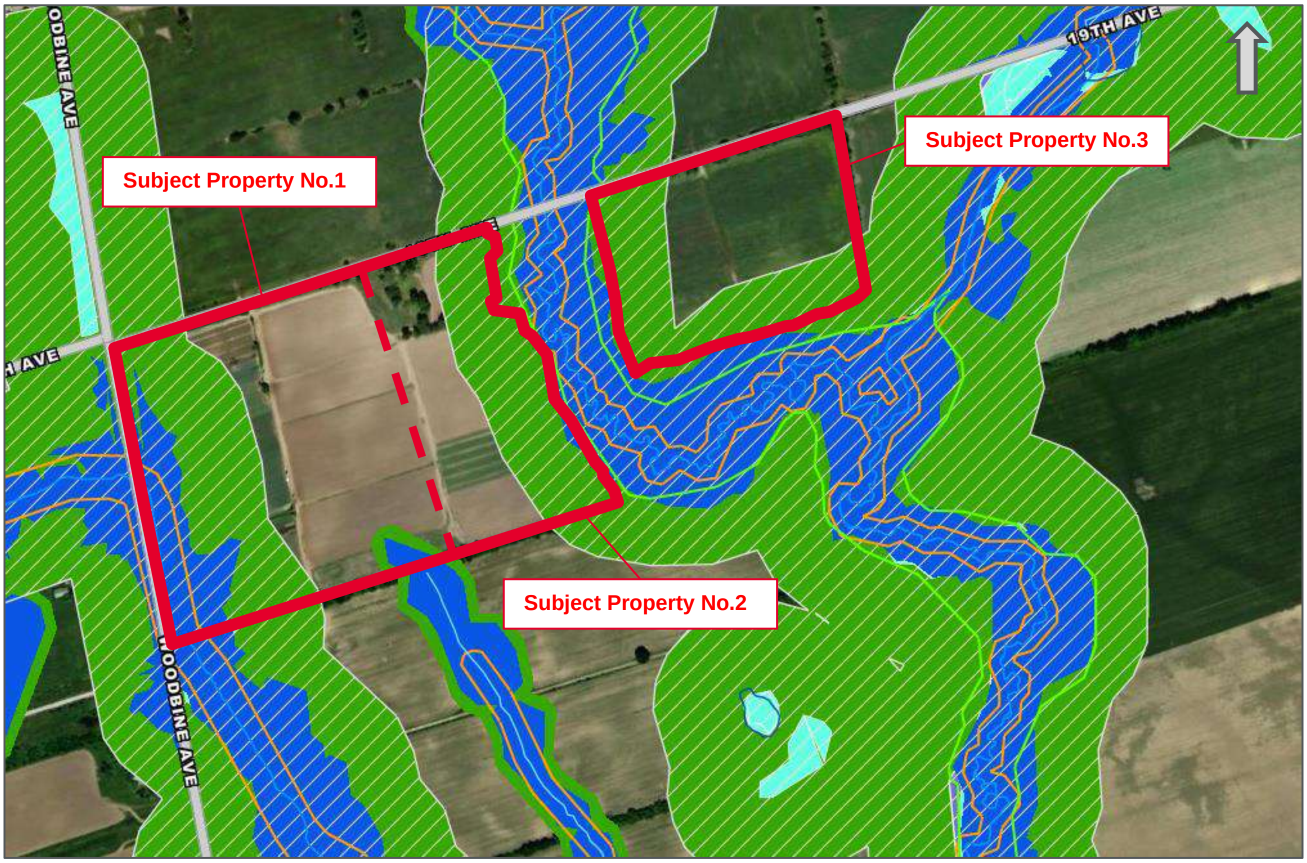
.

[24] City of Markham. (2021). *City of Markham Comments to the Province on a Minister's Zoning Order (MZO) request Report.*

4.3.6 Toronto and Region Conservation Authority

The Subject Properties are located within the jurisdiction of the Toronto and Region Conservation Authority (TRCA). A portion of the Subject Properties are located within the TRCA Regulation Limit (O. Reg, 166/06). Within the TRCA regulation area, a permit from the TRCA is required for any development or site alteration.

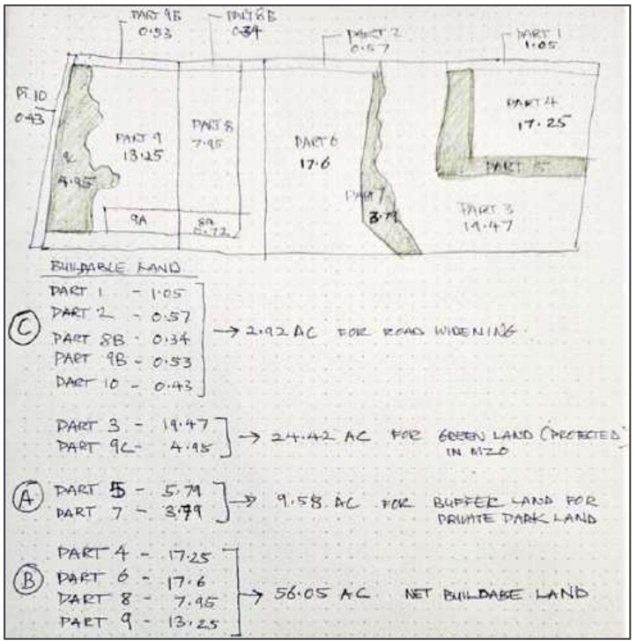
TRCA Regulation Mapping



Source: TRCA Mapping 2022 [Annotated by C&W]

4.3.7 Developable Acreage

In our analysis of the Subject Properties, we have refined the developable acreage of the respective Subject Properties based on information contained in a sketch by CXT Architects Inc. (the “CXT Sketch”). The sketch is provided below.



Source: CXT Architects Inc.

For Subject Property No.1, a watercourse on the west side of the property is within TRCA regulation limits. Approximately 6.3 acres are considered non-developable according to the CXT sketch. Based on the foregoing, approximately 27.91 acres (82%) of the Subject Property No.1 is developable, subject to Extraordinary Assumption.

For Subject Property No.2, 3.79 acres of the site area are considered non-developable due to natural features within the Greenbelt Plan and 0.57 acres for road conveyancing according to the CXT sketch. Based on the foregoing, approximately 17.40 acres (80%) of the Subject Property No.2 is developable, subject to Extraordinary Assumption.

For Subject Property No.3, 5.79 acres of the site area are considered non-developable due to natural features and 1.05 acres are lands for road conveyancing according to the CXT sketch. Based on the foregoing, approximately 17.27 acres (72%) of the Subject Property No.3 is developable, subject to Extraordinary Assumption.

Based on the foregoing, the combined total developable area of the Subject Properties is 62.57 acres.

4.3.8 Municipal Servicing Status

As at the Effective Date, it is our understanding that municipal servicing is not available at the lot line to the Subject Properties, and full municipal servicing to support urban development will be dependent upon the implementation of York Region’s Water and Wastewater Capital Projects to extend services to the Subject

Property from the south. We further understand that private utilities (electricity, gas, cable/telephone, and internet) are available in the vicinity of the properties.

It is our understanding that interim private servicing for water and sewage systems is an available solution to proceed with development of the Subject Properties. The City of Markham states that at the draft plan stage, the applicant will be required to submit a Functional Servicing Report (FSR) and either a Master Environmental Servicing Plan (MESP) or an Environmental Impact Study (EIS) (to be determined by the City).[25]

Furthermore, we have been provided with a letter by Masongsong Associates Engineering Limited, dated May 7, 2021. The letter concludes that the Subject Properties are deemed serviceable with an interim permanent municipal system along with private water and sewage systems, and provides a breakdown of cost estimates for interim municipal servicing. The servicing cost estimates from the letter is provided below.

3143 19th Avenue, Markham
Cost of Interim Servicing

No.	Description	Dev Charge	Cost
1	Cost of extending the external water and sewer from the south	Partly Recoverable	$5,000,000
2	If Markham requires front-ending of the downstream sewers which we believe could be deferred as the area ICI is still not developing	Mostly DC Recoverable	$16,000,000
3	Arterial Road Improvements/Upgrade to service this development, Allowance budget only due to lack of Traffic Study at this stage	N/A	$10,000,000
4	Property Easement Acquisition for the sewer and water extensions	N/A	$1,500,000
5	Alectra Power Supply	N/A	$4,000,000
6	Cost of building the roads, services and SWM facilities	N/A	$10,000
		Total	**$36,510,000**

Source: Masongsong Associates Engineering Limited (2021)

It is our understanding that Items Nos. 1, 3 and 4 reflect the cost of interim servicing to accommodate imminent development of the Subject Properties. Items Nos. 2, 5 and 6 are not deemed to apply to the interim servicing solution for the development of the Subject Properties.

4.3.9 Development Timing

We note that the Subject Properties were outside the existing built urban boundary at the Effective Date and are designated "Future Urban Area" under the City of Markham Official Plan. The Minister's Zoning Order (MZO) issued in August 2021 expedited the development timing of the Subject Properties for specific employment uses (as described in Section 4.3.5). Under the permitted uses of the MZO, it is estimated that development timing of the Subject Property is imminent, subject to municipal review and approval of draft plan of subdivision and site plan applications, with implementation of interim servicing measures as described above.

Under the City of Markham Official Plan which permits a wider range of employment and industrial uses, it is estimated that development timing of the Subject Property is in the medium-term, in approximately five (5) to ten (10) years.

[25] City of Markham. (2021). *City of Markham Comments to the Province on a Minister's Zoning Order (MZO) request Report.*

Section 5.0 Economic Overview

5.0 Economic Overview

5.1 Canadian Economic Overview

5.1.1 Economic Summary and Outlook

TD Economics, an economic analysis division within TD Bank publishes quarterly economic forecasts of the Canadian economy. [26] In their most recent forecast, Q3 2023 published on September 19, 2023, TD Economics summarized the state of the Canadian economy as follows:

> *"After a strong start to the year, Canada's economy contracted in the second quarter. True, it was barely a contraction (-0.2% annualized) and there was a litany of special factors – strikes and wildfires – but this likely marks the start of a prolonged period of lackluster growth. Real GDP growth is expected to slow from a modest 1.2% pace this year to only 0.7% next year. Unemployment has also risen faster than we expected a quarter ago, and a continuation of this trend will weigh on consumer confidence and spending through the forecast.*
>
> *Forecasts rarely move in a straight line, and the third quarter may bring some reprieve, but that should only be viewed as temporary. Income growth remained very healthy in the second quarter, which means consumers have the capacity to spend more vigorously in the third quarter, splashing out on Taylor Swift tickets or summer travel. Thereafter, the reality of highly leveraged households and a weakening job market will come to bear, as consumers devote more of their paychecks to debt service.*
>
> *Business investment outperformed through the first half of the year. As in the U.S., investment is being boosted by government subsidies for clean energy and infrastructure projects. In addition, the ongoing normalization of vehicle production as supply chains improve has enabled some pent-up investment on transportation equipment. However, these factors won't completely outweigh the cyclical forces of a weaker corporate profit backdrop and higher borrowing costs, which are likely to push non-residential investment from a 3% pace this year to less than 1% in 2024. Likewise, the economy will fail to get much support from residential investment, which has already weighed on growth for over a year. The degree of drag should certainly lessen however, as borrowing costs start come down in the second half of next year.*
>
> *Inflation remains top of mind for Canadians. Substantial progress has been made, but the last mile of the journey is likely to be the toughest as it requires a softer labour market and lower wage growth for underlying inflation to cool to 2%. As discussed in a recent report, there are a variety of ways that weakness in the job market could occur, but ultimately all roads lead to a rising unemployment rate. Our baseline forecast reflects a journey that will lift the unemployment rate from 5.5% currently to 6.7% in the latter half of next year, with modest job losses likely to begin later this year.*
>
> *Slow progress on inflation over the next several months will keep the Bank of Canada's hand hovering over the rate-hike button, but with soft economic growth and rising unemployment, it is unlikely they will need to press it. And like the U.S., any talk of rate cuts isn't likely until the middle of next year. Canada's relatively weaker economic growth backdrop is expected to keep the loonie under pressure for some time."*[27]

[26] TD Economics. (September 19, 2023). Canadian Quarterly Economic Forecast.
[27] Ibid.

5.1.2 Key National Economic Indicators

The following table summarizes historical and Bank of Montreal (BMO) Economics Group's forecast for several economic Key Performance Indicators (KPIs) for Canada as at September 15, 2023:

				Forecast	
	2020	2021	2022	2023	2024
(% change, y-o-y)					
Real GDP	-5.2	4.5	3.4	1.1	0.6
Real Disposable Income	8.2	1.2	-0.4	0.5	0.9
Consumer Price Index	0.7	3.4	6.8	3.9	2.8
Housing Starts (SAAR, 000s)	218	274	263	235	220
Unemployment Rate (%)	9.6	7.4	5.3	5.4	6.0
C$:US$, average	1.341	1.254	1.302	1.335	1.286
C$:€, average	1.53	1.48	1.37	1.45	1.42
Savings Rate (%, qrtly avg.)	14.8	11.0	6.1	4.8	5.5
Overnight Rate	0.50	0.25	2.04	4.77	4.63
10-Year Bond Yield	0.75	1.36	2.77	3.30	3.30

Sources: BMO Capital Markets

5.2 Provincial Economic Overview

5.2.1 Economic Summary and Outlook

TD Economics also publishes Provincial economic forecasts for all ten (10) of the Canadian Provinces. In their most recent forecast, Q3 2023, published on September 20, 2023, TD Economics describes the state of the Ontario economy as follows:

> *"After a strong start to the year, Ontario's economic growth likely cooled markedly in the second quarter. Still, we think that Ontario was able to modestly outperform Canada overall over the April-June period, supported by a rejuvenation in housing market activity as well as relative strength in job growth and exports.*
>
> *Household incomes and spending have been padded in the near-term by government support payments. We also see consumption being boosted by rising auto sales as pent-up demand is satiated. Even with these tailwinds, the resilience of household spending is being tested by rising debt servicing charges. Ontario's households are highly indebted, meaning that they'll have to dedicate an increasingly large share of their incomes towards debt servicing as we move through next year. With Ontario's households so vulnerable, we foresee weak consumer spending moving forward, which should keep the province's growth prospects relatively muted*
>
> *A downshift in manufacturing exports is also likely to weigh on growth going forward. Weaker external demand should slow activity. We also foresee lower auto assemblies in Ontario next year, as output is taken offline at a few key plants in order to retool for electric vehicle (EV) production. That said, automotive parts manufacturing should manage to gain some ground in 2023 and 2024, with this year's turnout benefitting from a continental-wide pickup in auto output and next year from the startup of the Windsor EV battery plant. However, strikes in the U.S. against the "Detroit 3" automakers pose a major*

downside risk to Ontario's highly integrated auto industry, should they persist for more than a few weeks. In Canada, negotiations between workers and the automakers are ongoing.

A surge of immigrants and non-permanent residents continues to fuel multi-decade highs in Ontario's population growth. Even with this robust expansion, Ontario's home sales have dropped the most of any province since the Bank of Canada resumed hiking rates in early June, falling by 14%. Moving forward, we see average home prices turning in a flattish performance in the third quarter, before declining in the final months of the year. Next year should bring better fortunes for home sales and prices as interest rates drop, although the worst affordability backdrop in at least 35 years should restrain growth."[28]

5.2.2 Key Provincial Economic Indicators

The following table summarizes historical and Bank of Montreal (BMO) Economics Group's forecast for several economic Key Performance Indicators (KPIs) for Ontario as at September 15, 2023:

				Forecast	
	2020	**2021**	**2022**	**2023**	**2024**
Real GDP Growth (%, y-o-y)	-5.1	5.2	3.6	1.1	0.6
Consumer Price Index (%, y-o-y)	0.6	3.5	6.8	3.7	2.9
Unemployment Rate (%)	9.6	8.1	5.6	5.6	6.5
Housing Starts (SAAR, 000s)	81.3	100.5	96.2	87.0	72.0

Sources: BMO Capital Markets

[28] TD Economics. (September 20, 2023). *Provincial Economic Forecast.*

5.3 Real Estate Overview

5.3.1 GTA Real Estate Market Overview

PwC and the Urban Land Institute's 2023 Emerging Trends in Real Estate Report provides an outlook on real estate investment and development trends in Canada.[29] The report identifies the following trends for Greater Toronto Area Real Estate in 2023:

- "Strong fundamentals such as high population growth and a strong economic growth leads to overall optimism in the long-term;
- New residential developments have higher uncertainty in the short term due to construction backlogs, policy changes in the City of Toronto and higher borrowing costs;
- Demand for high-quality downtown offices is strong but downtown foot traffic still remains below pre-pandemic levels, leading to tenants waiting to observe return-to-office strategies; and
- Outlook for industrial assets is strong with limited industrial availability and surging rents."

The following table from CBRE's 2023 Canadian Market Outlook report summarizes both historical and CBRE's 2023 forecast for key statistics for all major property types in the Greater Toronto Area (GTA).[30]

GTA Market Statistics

Office

DOWNTOWN	2021	2022	2023F	YoY
Inventory (million sq. ft.)	92.39	94.90	98.14	▲
Vacancy Rate (%)	10.2%	13.6%	17.3%	▲
Net Absorption (million sq. ft.)	0.17	-1.06	-0.75	▲
New Supply (million sq. ft.)	3.09	2.50	3.24	▲
Class A Net Asking Rent (per sq. ft.)	$34.18	$36.71	$36.75	▲
SUBURBAN				
Inventory (million sq. ft.)	77.88	77.45	78.04	▲
Vacancy Rate (%)	18.4%	19.3%	20.3%	▲
Net Absorption (million sq. ft.)	-2.46	-0.54	-0.32	▲
New Supply (million sq. ft.)	0.10	0.12	0.59	▲
Class A Net Asking Rent (per sq. ft.)	$18.05	$18.41	$18.60	▲
OVERALL				
Inventory (million sq. ft.)	170.27	172.35	176.17	▲
Vacancy Rate (%)	13.9%	16.2%	18.6%	▲
Net Absorption (million sq. ft.)	-2.29	-1.60	-1.07	▲
New Supply (million sq. ft.)	3.19	2.61	3.83	▲
Class A Net Asking Rent (per sq. ft.)	$27.47	$29.24	$29.35	▲

Industrial

	2021	2022	2023F	YoY
Inventory (million sq. ft.)	806.91	817.51	836.19	▲
Availability Rate (%)	0.9%	1.0%	1.4%	▲
Net Absorption (million sq. ft.)	20.01	11.05	14.84	▲
New Supply (million sq. ft.)	11.49	11.75	18.68	▲
Net Asking Rent (per sq. ft.)	$12.30	$17.17	$19.30	▲
Sale Price (per sq. ft.)	$322	$385	$365	▼
Land Price (per acre, $ millions)	$2.12	$2.17	$1.95	▼

Retail

	2021	2022	2023F	YoY
Total Retail Sales per Capita	$13,837	$14,842	$14,043	▼
Total Retail Sales Growth	7.2%	9.5%	-3.5%	▼
New Supply (million sq. ft.)	0.72	0.46	2.07	▲

Multifamily

	2021	2022	2023F	YoY
Vacancy Rate	4.6%	1.6%	1.2%	▼
2 Bedroom Average Rent	$1,679	$1,779	$1,920	▲
New Rental Supply (units)	4,282	3,440	6,230	▲

Source: CBRE (2023)

[29] PwC and Urban Land Institute. (2022). *2023 Emerging Trends In Real Estate.*
[30] CBRE. (2023). *Canada Real Estate Market Outlook.*

5.3.2 GTA Industrial Real Estate Market Overview

The following section provides a summary of the Greater Toronto Area Industrial Real Estate Market Overview as at the Effective Date of Appraisal.

In its Q2 2023 Industrial Marketbeat Report, Cushman & Wakefield (C&W) noted that the GTA industrial market is experiencing a *"persistent space crunch remained in the spotlight, highlighting the ongoing supply-demand imbalance"*, leading to low vacancy rates, strong absorption and higher rents.[31] It was further noted in Collier's Toronto Industrial Market Report Q2 2023 that industrial real estate demand should remain strong with availability rate remaining low amid some potential headwinds as Colliers provided the following outlook:

> *"In terms of investments and sales, the GTA saw marginal growth in activity, which is a positive marker during uncertain economic times and an unfavourable investment climate. The number of sales transactions rose as well as the volume of sales in both square feet sold, and dollars transacted. The drop in average sales price from $322 to $310 in Q1 is indicative of fluctuating prices and expectations. The current economic environment has resulted in a more strenuous due diligence process on sales; lenders are mainly focusing on credit worthy customers as financing challenges still exist."* [32]

Avison & Young ("Avison Young" or "AY") generally echoed the sentiment publishing that *"With tenants actively looking for space in advance of lease expiry due to tight market conditions, many landlords have responded by advertising large-block spaces well in advance of vacancy. This trend has influenced much of the rise in availability. The most attractive blocks of space remain scarce as availability has remained just below 2% over the past five years. This has continued to place upward pressure on rents. However, the pace of rental rate growth is expected to moderate further over the next several quarters."* [33] The strong performance observed in the GTA Industrial market was generally reflective of the broad sentiment heading into 2023 despite potential economic headwinds. In their 2023 Canadian Market Outlook Report, CBRE identified the following three (3) trends for the GTA Real Estate Market,[34] as it specifically relates to the industrial sector:

1. Moderate Rent Growth;
    - *"Rent growth is forecast to moderate to more sustainable levels in 2023 as some tailwinds dissipate. However, growth will still outpace the historical average pace seen over the last 10 years."*

2. Record Levels of New Supply;
    - *"A record amount of new supply is expected to deliver in 2023, but this will have a minimal impact on availability as robust pre-leasing and a relatively conservative approach to construction keeps market conditions tight."*

3. Third-party Logistics Industry is the Focus;
    - *"The third-party logistics industry is expected to continue driving leasing activity in 2023 as more companies look to outsource their supply chain processes."*

The following section provides a brief overview of the key performance metrics of the GTA Industrial real estate market leading-up to the Effective Date.

[31] Cushman & Wakefield – GTA Marketbeat – Industrial Q2 2023
[32] Colliers – Industrial Market Report – Q2 2023
[33] Avison Young – Industrial Market Report – GTA Q2 2023
[34] CBRE – Canada Real Estate Market Outlook 2023

Vacancy & Availability

The industrial vacancy rate in the GTA in Q2 2023 was reported at 1.3%, marking the highest vacancy rate since Q1 2021.[35] This represents the largest vacancy rate increase (0.2% compared to the previous quarter) in the past three years.[36] Similarly, Colliers reported that all submarkets had a availability rate of 1.4%, with the GTA East submarket experiencing the lowest availability with an availability rate of just 0.8%, slightly below GTA Central (1.0%), GTA North (1.2%) and GTA West (1.9%).[37] CBRE also reported a availability rate of 1.4% which represents the fourth consecutive quarter increase. [38]

The following chart from C&W's Q2 2023 GTA Industrial Marketbeat Report summarizes GTA Industrial vacancy and asking rent per SF from 2017 to Q2 2023.

Source: Cushman & Wakefield – GTA Marketbeat – Industrial Q2 2023

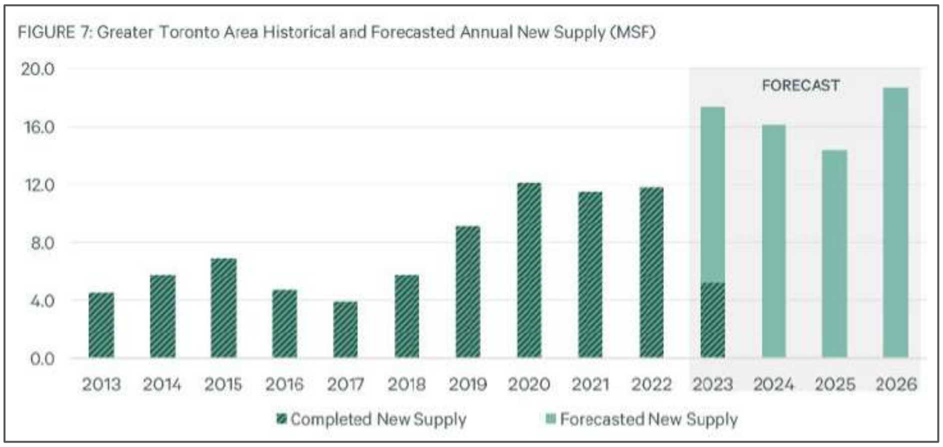
New Construction & Absorption

Total net absorption in Q2 2023 was recorded at 843,000 square feet, compared to Q1 2023's negative 349,000 square feet net absorption. [39] The GTA West submarket lead the way at 1.1 million square feet absorbed in Q2 2023 while GTA North submarket recorded negative net absorption of 420,000 square feet. [40] Avison Young records indicated that seventy four (74) buildings totaling approximately 18.7 million square feet was under construction in Q2 2023 of which 31% was pre-leased.[41] The following is also noted;

- Q2 2023 completions totaled three (3) million square feet across 16 buildings with 39% of space leased, with the largest completion of the quarter located in Brampton;
- Most (61%) of the buildings under construction is in the GTA West submarket. Furthermore, there are over 150 buildings in the pre-construction stage totaling 55 million square feet. [42]
- CBRE similarly reported that in Q2 2023 fourteen (14) new industrial projects broke ground. Overall, approximately 16.0 million square feet is under constriuction, of which 36.5% were pre-leased or pre-sold.[43]
- In addition, Colliers reported 14.6 million square feet of industrial space is under construction. [44]

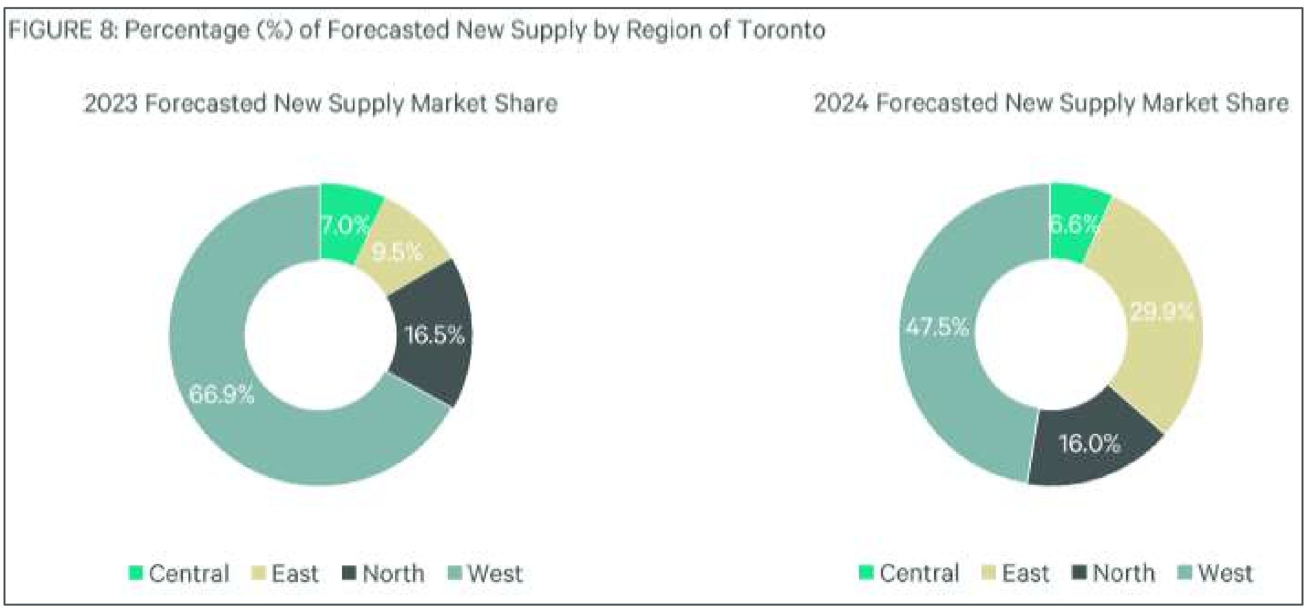
[35] Cushman & Wakefield – GTA Marketbeat – Industrial Q2 2023
[36] Ibid.
[37] Colliers – GTA Industrial Market Report – Q2 2023
[38] CBRE – Toronto Industrial Figures – Q2 2023
[39] Cushman & Wakefield – GTA Marketbeat – Industrial Q2 2023
[40] Ibid.
[41] Avison Young – Industrial Market Report – GTA Q2 2023
[42] Ibid.
[43] CBRE – Toronto Industrial Figures – Q2 2023
[44] Colliers – GTA Industrial Market Report – Q2 2023

The following table from CBRE summarizes historical and forecast supply for the market:



Source: CBRE – Toronto Industrial Figures – Q2 2023

The following chart from CBRE outlines the forecasted new supply market share by submarket in the GTA:



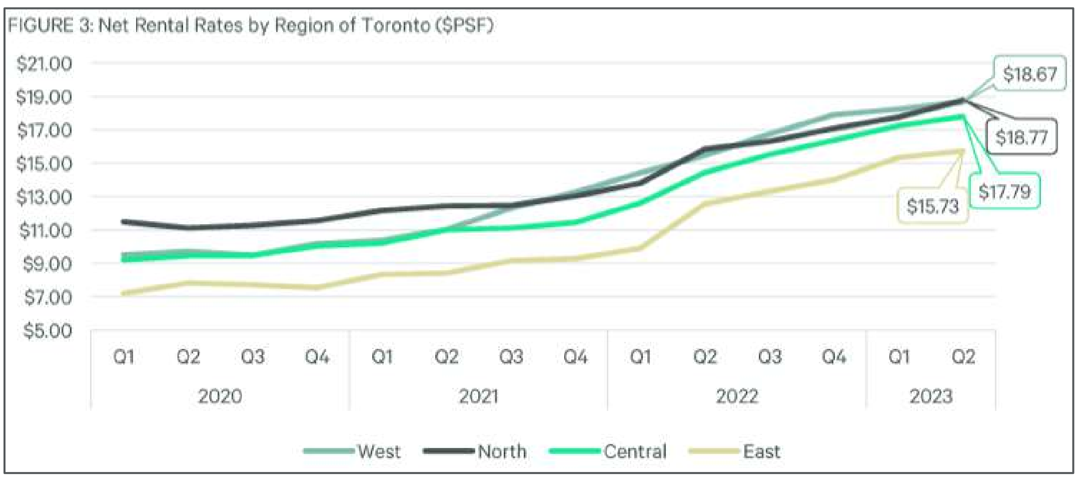
Source: CBRE – Toronto Industrial Figures – Q2 2023

Leasing and Rental Rates

Cushman and Wakefield (C&W) noted that the strong leasing activity reflects the unprecedented level of demand for industrial space.[45] Of particular note was lease transactions for SCI Logistics and Riverside Foods which comprised the two largest leasing activities in Q2 2023, accounting for 324,690 and 194,686 square feet respectively. All of the leasing activity resulted in asking rents rising 19% year-over-year to $18.19 net per square foot in Q2 2023, which marks nearly eight years of consistent growth.[46] The following summarizes key data points reported by market participants:

- Avison Young reported GTA industrial rents rose to $18.12 net per square foot, a 20% year-over-year growth.[47]
- Colliers reported an increase of 18.3% year-over-year and 0.7% quarter-over-quarter to $18.14 net per square foot.[48]
- CBRE reported an average asking lease rate of $18.26 per square foot, a 2.8% increase quarter-over-quarter and 21% year-over-year growth.

The following chart from CBRE's Q2 2023 GTA Industrial Marketbeat Report summarizes GTA Industrial net absorption and overall asking rents.



Source: CBRE – Toronto Industrial Figures – Q2 2023

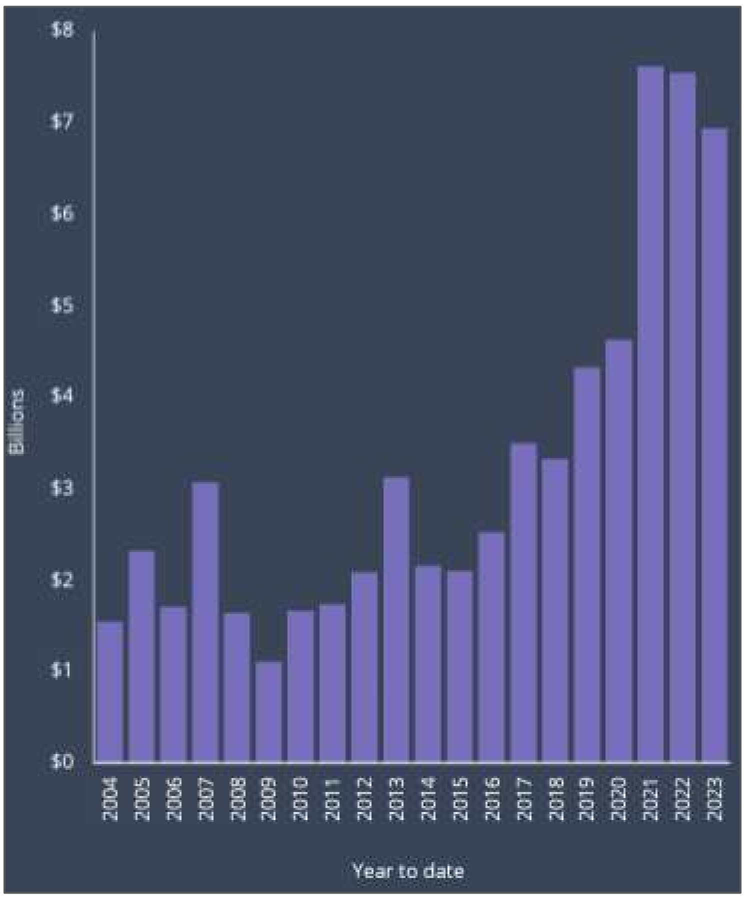
[45] Cushman & Wakefield – GTA Marketbeat – Industrial Q2 2023
[46] Ibid.
[47] Avison Young – Industrial Market Report – GTA Q2 2023
[48] Colliers – GTA Industrial Market Report – Q2 2023

Sale Price and Volume

The GTA Industrial market had an average asking price of approximately $404 per square foot in Q2 2023 with GTA North submarket the highest at $468.76 per square foot and GTA East submarket the lowest at $199.99 per square foot on average.[49] Similarly, other market participants published similar reports:

- Colliers reported an average sale price of $310 per square foot, representing a drop 4.3% year-over-over-year.[50] GTA West submarket had the highest average sale price of $337 per square foot.
- Avison and Young reports that on the sales front, the Apotex portfolio transaction contained the two largest deals of the second quarter, including 50 Steinway Boulevard, Etobicoke ($248 million/$372 psf) and 150 Signet Drive, North York ($99 million/$219 psf). The average sale price per square foot is $360.[51]

The following chart from Avison Young summarizes GTA industrial sales volume from 2004 to 2023.



Source: Avison Young – Investment Report GTA – Q2 2023

[49] Cushman & Wakefield – GTA Marketbeat – Industrial Q2 2023
[50] Colliers – GTA Industrial Market Report – Q4 2022
[51] Avison Young – Industrial Market Report – GTA Q4 2022

GTA Industrial Investment

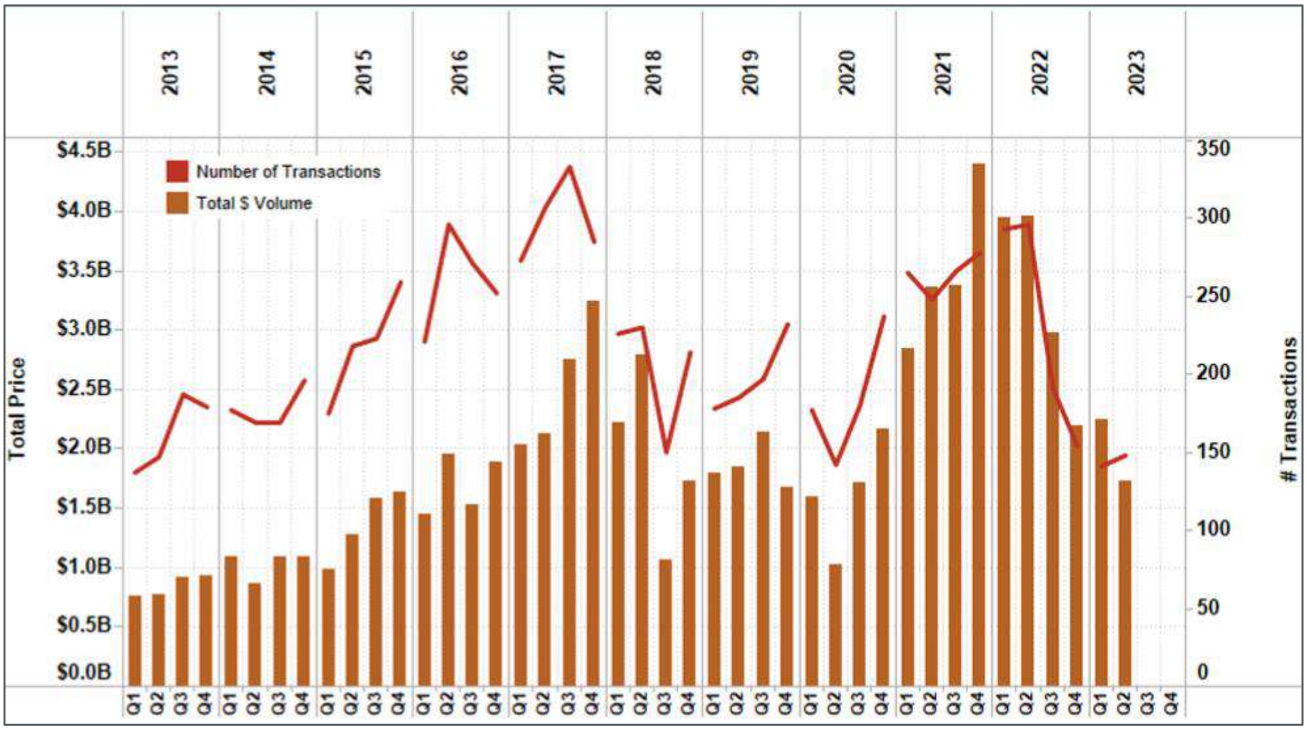
The strong fundamentals for the GTA Industrial market was partially a result from the strong investment demand for GTA Industrial assets observed both locally and nationally amid modest increases in industrial sector cap rates. Avison Young stated that: *"Already the top-selling asset type for each of the past three years, investment in the industrial sector represented an impressive 62% of the GTA quarterly total in Q2 2023, with $3.4 billion in sales (down 4% quarter-over-quarter but up 33% compared with Q2 2022). The market is well balanced between supply and demand. Vendors may choose to sell because values are high and they can use the capital to satisfy their investors or pay down debt on other assets. Meanwhile, purchasers are still keen to buy. Demand for lastmile delivery continues to drive location-based value, even for older assets.*

Industrial will continue to be an asset class of interest to investors, but some may have concerns whether leasing demand from tenants is peaking and could begin to slowly decline. Along with rental rates, high construction costs, land costs, development charges, and the rising cost of debt will all be monitored by stakeholders as factors in the value of industrial investments." [52]

[52] Avison Young – Greater Toronto Investment Review – Q2 2023

5.3.3 Greater Toronto Area ICI Land Market Overview

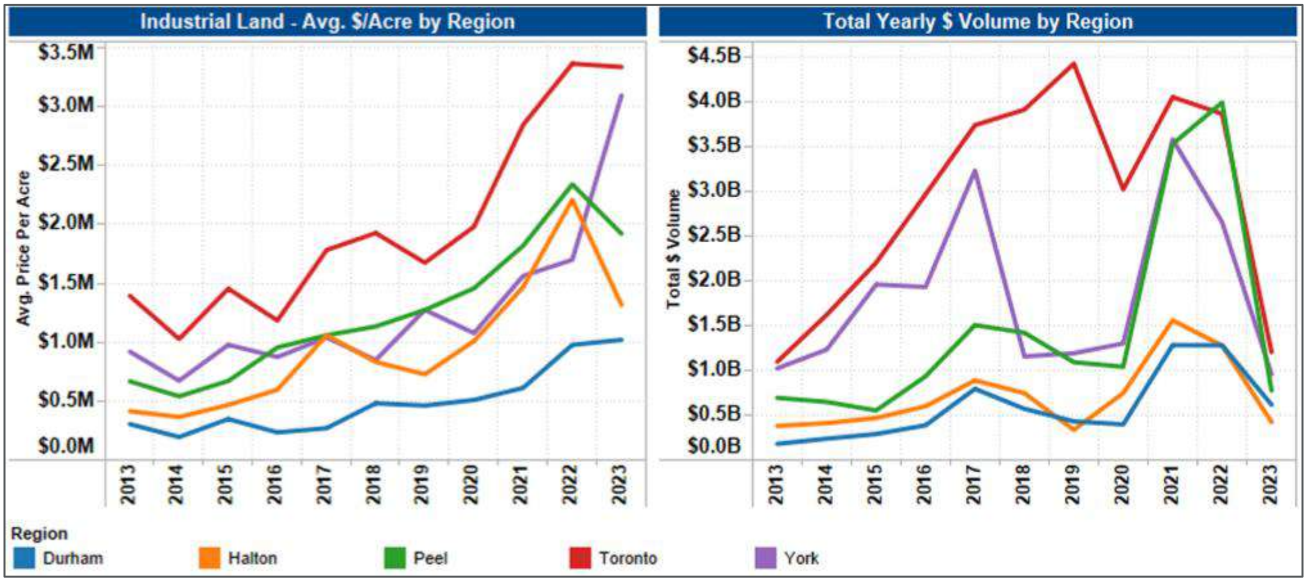
Generally, the ICI Land market in the Greater Toronto Area (GTA) was robust in the years leading up to the Effective Date. Altus Group's Greater Toronto ICI Land Q2 2023 Statistics Report reported approximately 145 ICI land transactions in Q2 2023.[53] The total price of these transactions totaled approximately $1.7 Billion, significantly lower than Q2 2022 when total sales volume totaled $3.9 Billion. The following table shows the number of ICI land property transactions and total sales volume across the GTA from Q1 2013 to Q2 2023.



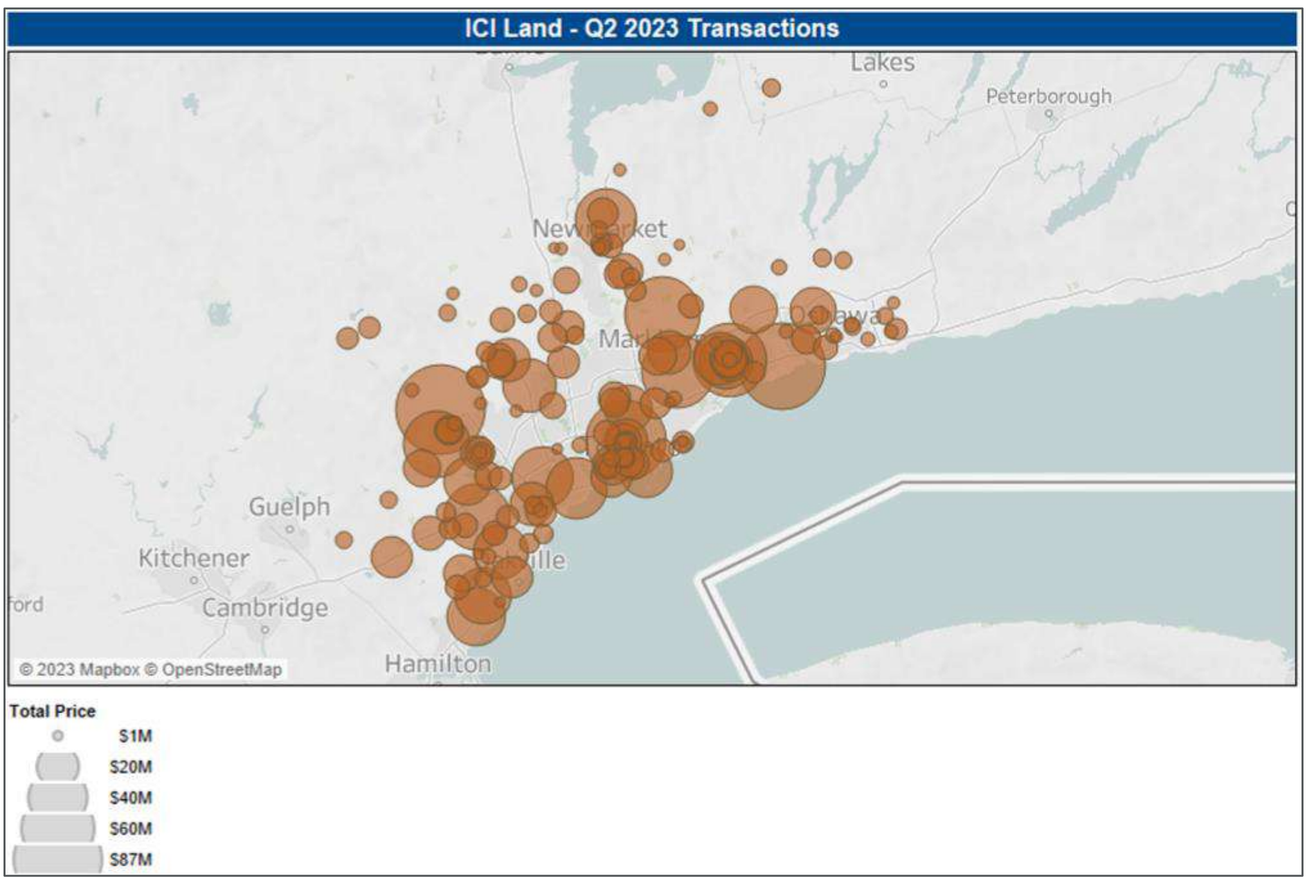
Source: Altus Group (2023)

The graph in the top of the following page from Altus Group shows the average price per acre for industrial land by region across the GTA from 2013 to Q2 2023. The average price per acre of industrial land in York Region, where the Subject Properties are located, significantly rose from $1 million to over $3 million from 2015 to 2023, with slowing appreciation amid rising interest rates. The map on the bottom of the following page illustrates the distribution of ICI land transactions in Q2 2023.

[53] Altus Group. (2023). *Greater Toronto ICI Land Commercial Q2 2023 Statistics.*



Source: Altus Group (2023)



Source: Altus Group (2023)

5.3.4 Summary of Real Estate Market Trends

The following trends of particular relevance were noted as at the Effective Date of appraisal:

- GTA Industrial vacancy rates had generally been low since 2021 entering 2023, with vacancy rates of under 2.0% in all submarkets;
- GTA Industrial net average asking rents were steadily rising with the GTA average increasing by approximately 15-25% year-over-year;
- GTA industrial sale prices was generally stable in the past year;
- The volume of Industrial, Commercial, and Institutional (ICI) land transactions occurring throughout the GTA had generally been rising over the preceding several years but has experienced a significant slowdown in H2 2022 and H1 2023;
- The GTA total ICI land transaction dollar-volume fell from approximately $3.9 billion in Q2 2022 to $1.7 billion in Q2 2023 according to Altus Group;
- Data from Altus Group indicated that Industrial land rates in York Region have been rising with pronounced increases between 2020 and 2022; and
- In 2023, Industrial land rates in York Region surpassed $3 million per acre, on average, the second highest of any GTA Submarket behind the City of Toronto.

The foregoing indicates a strong GTA Industrial market with demand outpacing supply as at the Effective Date headed into Q3 2023. However, ICI land transactions and sales volumes have significantly decreased in the past year, exemplary of a slowdown in the industrial land market.

Section 6.0 Highest and Best Use

6.0 Highest and Best Use

6.1 Definition of Highest and Best Use

The principle of Highest and Best Use is defined by Appraisal Institute of Canada as:

> *"The reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value."*[54]

The theory of Highest and Best Use is fundamental to the concept of value. Highest and Best Use analysis identifies the most probable, competitive use to which a property can be put. The Highest and Best Use of a property is based on the competitive forces within the market and submarket and provides the foundation for a detailed investigation of the competitive position of the Subject Properties in the minds of market participants. Appraisal theory requires that the Appraiser consider the Highest and Best Use of the Subject Property both As If Vacant and As Improved.

6.2 Highest and Best Use Analysis

The property's Highest and Best Use must meet four criteria. That use must be legally permissible, physically possible, financially feasible, and maximally profitable. The following factors have been considered and analyzed to arrive at our conclusion of Highest and Best Use herein.

Legally Permissible

- The interest appraised is the Fee Simple estate in the Subject Properties. Fee simple estate implies absolute ownership unencumbered by any other interest or estate.
- The Subject Properties are designated "Future Employment Area" according to the City of Markham Official Plan. It is assumed that the proposed use of the property is legally permissible.
- A Minister's Zoning Order (MZO) issued by the Ministry of Municipal Affairs and Housing (MMAH) through Ontario Regulation 599/21 in August 2021. The MZO allows the rezoning of most of the site area of the Subject Properties into business park uses subject to conditions.

Physically Possible

- The Subject Properties are located at 3143 19th Avenue, in the City of Markham. Subject Property No. 1 is located on the southeast corner of Woodbine Avenue and 19th Avenue. Subject Properties No. 2 and 3 is located mid-block on the south side of 19th Avenue, between Woodbine Avenue and Warden Avenue.
- Subject Property No.1 is generally rectangular in configuration, comprising 34.157 acres of land and 27.91 acres of developable acreage. The property has approximately 1,300 feet of frontage along Woodbine Avenue and 1,050 feet of frontage along 19th Avenue.

[54] Canadian Uniform Standards of Professional Appraisal Practice – Appraisal Institute of Canada (January 1, 2020)

- Subject Property No. 2 is generally rectangular in configuration, comprising 21.756 acres of land and 17.40 acres of developable acreage. The property has approximately 700 feet of frontage along 19th Avenue.

- Subject Property No. 3 is generally rectangular in configuration, comprising 24.105 acres of land and 17.27 acres of developable acreage. The property has approximately 1,200 feet of frontage along 19th Avenue.

- It is our understanding that municipal servicing is not available to the Subject Properties as at the Effective Date. We have been provided with a letter by Masongsong Associates Engineering Limited indicating interim serving solutions and cost estimates to accommodate imminent development of the Subject Properties, subject to municipal review and approval of draft plan of subdivision and site plan applications.

Financially Feasible

- Development of the Subject Properties is imminent with uses in accordance with the Minister's Zoning Order (MZO), or in the medium-term as employment development land in accordance with the wider range of uses pursuant to the applicable land use controls and considerations under the City of Markham Official Plan.

- Based on a review of real estate market indicators, the ICI development land market in the Greater Toronto Area had experienced a significant decline in sales volume in the past year but prices have remained relatively stable.

Maximally Productive

- It is our opinion that the maximally productive use of the Subject Properties is as employment development land in accordance with applicable land use controls and considerations under the Minister's Zoning Order (MZO).

6.3 Highest and Best Use Conclusion

Having carefully considered all relevant factors including real property interests, lease provisions, location, physical characteristics, economic characteristics, and real estate market conditions, the Highest and Best Use of the Subject Properties is considered to be:

As Vacant:	Employment development land in accordance with a Minister's Zoning Order (MZO) applicable to the Subject Properties.

Section 7.0 Appraisal Process

7.0 Appraisal Process

7.1 Approaches to Value

There are three (3) generally accepted approaches available in developing an opinion of value:

1. Direct Comparison Approach;
2. Income Capitalization Approach; and
3. Cost Approach.

In appraisal practice, an approach to value is included or eliminated based on its applicability to the property type being valued, the quality of information available, as well as the motivation and thinking of purchasers in the market for the subject property. Each approach assumes valuation of the property at the property's Highest and Best Use. From the indications of these analyses, an opinion of value is reached based upon judgement within the appraisal process.

7.1.1 Direct Comparison Approach

The Direct Comparison Approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject property. Valuation is typically accomplished using a unit of comparison such as price per square foot of building area, effective gross income multiplier or net income multiplier. Adjustments are applied to the unit of comparison from an analysis of comparable sales, and the adjusted unit of comparison is then used to derive a value for the subject property. This approach is based on the principle of substitution, which states that the limits of prices, rents, and rates tend to be set by the prevailing prices, rents, and rates of equally desirable substitutes.

7.1.2 Income Approach

The Income Approach simulates the reasoning process of investors who consider the cash flows that would result from the anticipated revenue and expense on a property throughout its lifetime. The approach first determines the income-producing capacity of a property by utilizing contract rents on leases in-place and by estimating market rent from rental activity at competing properties for the vacant space. Deductions then are made for vacancy and collection loss and operating expenses to estimate Net Operating Income (NOI). NOI is then capitalized at an appropriate rate to derive an estimate of value or discounted by an appropriate yield rate over a typical hold period.

7.1.3 Cost Approach

The Cost Approach is based upon the proposition that an informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility, less appropriate deductions for physical, functional, and economic obsolescence. This approach is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land; or when relatively unique or specialized improvements are located on the site, for which there exist few improved sales or leases of comparable properties. In the Cost Approach, the appraiser forms an opinion of the replacement cost of all improvements, depreciating them to reflect any value loss from physical depreciation and functional and external obsolescence.

7.2 Valuation Methodology

In this Appraisal, we have used the Direct Comparison Approach to estimate the Market Value of the Fee Simple Interest of the Subject Properties.

The Income Approach and Cost Approach were not deemed relevant and/or necessary for this analysis.

7.3 Direct Comparison Approach

The Direct Comparison Approach is a method of estimating Market Value whereby a Subject Property is compared with similar properties that have recently sold or are currently listed for sale. The Direct Comparison Approach is based on the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, balance, substitution and externalities. The reliability of this approach is dependent on the availability and verification of data, degree of comparability to the subject and absence of atypical conditions affecting the sale price. The following steps describe the applied process of the Direct Comparison Approach.

- The market in which the subject Property competes is investigated; comparable sales, contracts for sale and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject Properties is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to account for differences the subject Property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Direct Comparison Approach.

Some of the major elements of comparison that may merit consideration for adjustment are discussed briefly below.

Real Property Rights Conveyed: When real property rights are sold, they may be the sole subject of the contract or the contract may include other rights, less than all of the real property rights, or even rights to another property or properties. The property rights sold in a comparable should be similar to the property rights being appraised. Typical property rights include the fee simple interest, leased fee interest and leasehold interest.

Financing Terms: The transaction price of one property may differ from that of an identical property due to different financing arrangements. An adjustment for financing terms usually reflects non-market financing as either above or below market.

Conditions of Sale: The definition of market Value requires “typical motivations of buyers and sellers” where there is no duress on either party to consummate the sale. An adjustment for conditions of sale usually reflects the motivation of the buyer or seller who is under duress to complete a transaction.

Market Conditions: Comparable sales that occurred under market conditions different from those applicable to the subject on the effective date of value require adjustment for any differences that affect their values. An adjustment of market conditions is made if general property values have increased or decreased since the transaction dates. Change in market conditions may result from changes in income tax laws, building moratoriums, and fluctuations in supply and demand.

Location: Location refers to the time-distance relationships, or linkages, between a property or neighborhood and all other possible origins and destinations of people going to or coming from the property or neighborhood. An adjustment for location within a market area may be required when the locational characteristics of a comparable property are different from those of the subject property.

Physical Characteristics: Physical characteristics may include differences for size, soils, site access, topography, quality of construction, architectural style, building materials, age, condition, functional utility, attractiveness, amenities, and other characteristics. The value added or lost by the presence or absence of an item in a comparable property may not equal the cost of installing or removing the item. The market dictates the value contribution of individual components to the value of the whole.

Economic Characteristics: Economic characteristics are the attributes of a property that directly affect its income and is typically applied to development or income-producing properties. Characteristics that typically affect a development property's income include land use policy, development timing, extraordinary costs of development, environmental considerations, municipal servicing, development timing, and other development considerations.

Section 8.0 Valuation Analysis

8.0 Valuation Analysis

8.1 Valuation Analysis by Direct Comparison Approach

Given the concluded Highest and Best Uses, research focused on locating and analyzing recent sales of employment development land properties which exhibit similar characteristics to the Subject Properties. Our survey of the market found several transactions of employment development land. The Direct Comparison Approach is a means of valuing a property by comparison with similar properties that have been sold. The assumption is that if the subject property had been exposed to the market, it would have been in competition with the comparable property dealing with the same type of purchaser under similar market conditions. It is based on the “Principle of Substitution” which implies that a prudent purchaser will not pay more to buy a property than it will cost them to buy a comparable substitute property. Typically comparable transactions are analyzed on a common unit rate basis. In this analysis, we have adopted a unit of comparison of *price per of developable acre ($ / dev. acre)*.

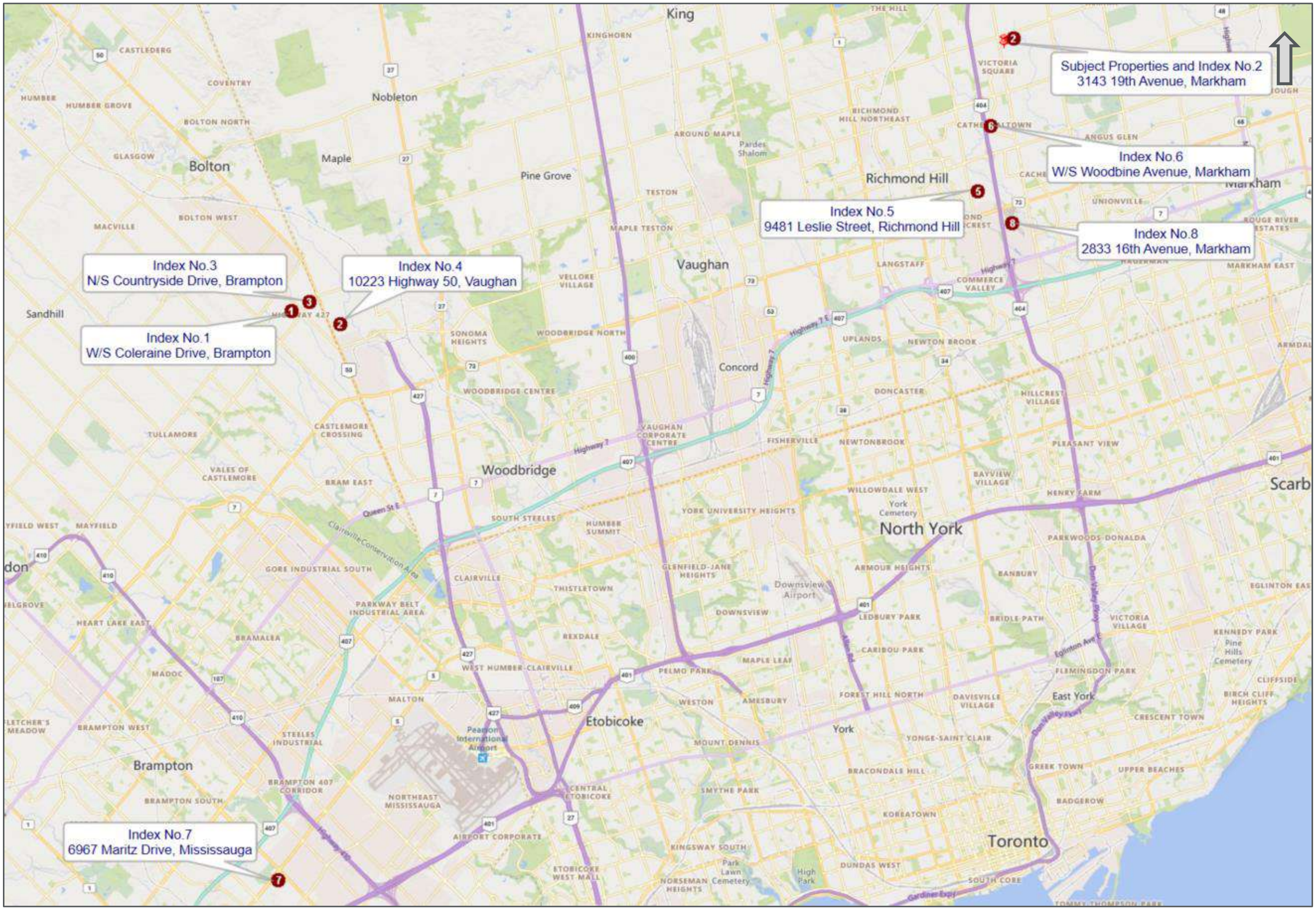
The following chart summarizes the details of eight (8) sales of employment development land between May 2021 and July 2023. A location map, sale summaries and adjustment grid follow.

8.2 Chart of Comparable Market Indices

3143 19th Avenue, Markham
Summary of Comparable Land Sales
As at September 24, 2023

Sale No.	Date	Location	Vendor/Purchaser	Sale Price		Site Area (Acre)	Dev. Area (Acre)	Sale Price Per Acre	Official Plan/ Zoning
SP	**24-Sep-23** **Eff. Date**	**3143 19th Avenue,** **Markham, ON**	**Tung Kee Investment Canada Ltd./** **N/A**	**--**	**SP1:** **SP2:** **SP3:** **Total:**	**34.157** **21.756** **24.105** **80.018**	**27.91** **17.40** **17.27** **62.57**	**--**	**Future Employment Area/** **Business Park (BP)**
1	21-Jul-23	W/S Coleraine Drive, Brampton, ON	Panattoni Development Company/ 1511764 Canada Inc.	$28,705,000 (70% VTB)		25.055	17.6	$1,630,966	Industrial and Open Space in a Special Study Area/ Agricultural (A)
2	30-Apr-22 APS	3143 19th Avenue, Markham, ON (SP2 and 3)	Tung Kee Investment Canada Ltd./ Element Media Group Inc.	$71,496,187 (All Cash)		45.861	34.7	$2,062,727	Future Employment Area/ Business Park (BP)
3	11-Apr-22	N/S Countryside Drive, Brampton, ON	An Individual(s)/ Charger Logistics Inc.	$48,000,000 (42% VTB)		25.057	25.0	$1,920,000	Industrial in a Special Study Area/ Agricultural (A)
4	12-Jan-22	10223 Highway 50, Vaughan, ON	Group Mach / Crestpoint Real Estate Investments Ltd. & PSP Investments	$124,000,000 (All Cash)		85.104	65.0	$1,907,692	Prestige Employment, General Employment and Natural Area/ Future Development (FD), Environmental Protection (EP) and Agriculture (A)
5	21-Dec-21	9481 Leslie Street, Richmond Hill, ON	An Individual(s)/ GWL Realty Advisors	$120,050,000 (All Cash)		44.703	44.7	$2,685,682	Employment Area/ Agricultural (A1)
6	13-Dec-21	W/S Woodbine Avenue, Markham, ON	China Lesso Group Holdings Limited/ Triovest	$106,500,000 (All Cash)		45.781	41.6	$2,560,096	Business Park Employment/ Business Park (BP)
7	30-Jun-21	6967 Maritz Drive, Mississauga, ON	SmartCentres REIT/ Tridel	$38,577,500 (All Cash)		15.393	15.4	$2,505,032	Office/ Major Office (O2) and Film Studio
8	31-May-21	2833 16th Avenue, Markham, ON	Armadale Properties Limited/ Cadillac Fairview Corporation	$192,886,920 (50% Interest) (All Cash)		169.285	169.2	$2,279,987 (Adj.)	Business Park Employment/ Transportation (T) and Industrial (MC)
							Min	**$1,630,966**	
							Max	**$2,685,682**	
							Median	**$2,171,357**	
							Average	**$2,194,023**	

8.3 Map of Comparable Market Indices



Source: C&W Map Builder

8.4 Comparable Market Index Summaries

Comparable Index 1
W/S Coleraine Drive,
Brampton, ON

Source: Cushman & Wakefield (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	July 21, 2023.		
Sale Price:	$28,705,000.	Unit Rate ($/ dev. ac.):	$1,630,966
Consideration:	70% VTB.		
Vendor:	Panattoni Development Company.		
Purchaser:	1511764 Canada Inc.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	14213-0092 (LT).
Site Area:	25.055 acres.
Developable Area:	17.6 acres.
Frontage:	645.99 feet along Coleraine Drive.
Topography:	Mostly level with a rectangular configuration.
Site Access:	One (1) point of ingress and egress along Coleraine Drive.
Servicing:	Existing water and wastewater systems are not available to Index No.1 and is approximately one (1) kilometer north of Index No.1.
Site Improvements:	The property was improved with an ancillary outbuilding.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Industrial and Open Space in a Special Study Area.
Zoning:	Agricultural (A).
Applications:	N/A.

Comments:

The property is located on the south side of Coleraine Drive, mid-block between Countryside Drive and Mayfield Road, in the City of Brampton. The property is located approximately twenty-eight (28) kilometers west of the Subject Properties. A watercourse feature is located in the eastern portion of the site, which is within TRCA Regulation Limits and affects the developable area of the site. The site is situated in Coleraine and is in proximity to Highway No. 427.

Comparable Index 2
3143 19th Avenue, (Subject Property Nos. 2 and 3)
Markham, ON

Source: Cushman & Wakefield (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	April 30, 2022.		
Sale Price:	$71,496,187.	Unit Rate ($/ dev. ac.):	$2,062,727
Consideration:	All Cash.		
Vendor:	Tung Kee Investment Canada Ltd.		
Purchaser:	Element Media Group Inc.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	03055-0380 and 03055-0379 (LT).
Site Area:	45.861 acres.
Developable Area:	34.7 acres.
Frontage:	1,896.86 feet along 19th Avenue.
Topography:	Mostly level with a generally rectangular configuration.
Site Access:	One (1) point of ingress and egress along 19th Avenue.
Servicing:	Existing water and wastewater systems are not available and is approximately one (1) kilometer south of Index No.2.
Site Improvements:	The property was vacant and unimproved.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Future Employment Area.
Zoning:	Business Park (BP).
Applications:	N/A.

Comments:

The property is Subject Property Nos. 2 and 3. The property is separated into two (2) land parcels with a natural feature in between the parcels which forms part of the Greenbelt under the Greenbelt Plan. The sites are located on the south side of 19th Avenue, mid-block between Woodbine Avenue and Warden Avenue, in the City of Markham. It is our understanding that the transaction did not close.

Comparable Index 3
N/S Countryside Drive,
Brampton, ON

Source: Cushman & Wakefield (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	April 11, 2022.		
Sale Price:	$48,000,000.	Unit Rate ($/ dev. ac.):	$1,920,000
Consideration:	42% VTB.		
Vendor:	An Individual(s).		
Purchaser:	Charger Logistics Inc.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	14213-0111 (LT).
Site Area:	25.057 acres.
Developable Area:	25.0 acres.
Frontage:	1,364.39 feet along Countryside Drive and 275.96 feet along Coleraine Drive.
Topography:	Mostly level with an irregular configuration.
Site Access:	One (1) point of ingress and egress along Coleraine Drive.
Servicing:	Existing water and wastewater systems are not available to Index No.3 and is approximately one (1) kilometer north of Index No.3.
Site Improvements:	The property was vacant and unimproved.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Industrial in a Special Study Area.
Zoning:	Agricultural (A).
Applications:	N/A.

Comments:

The property is located on the north side of Countryside Road, mid-block between Coleraine Drive and Highway 50, in the City of Brampton. The property is located approximately twenty-eight (28) kilometers west of the Subject Properties. A watercourse feature is located in the eastern portion of the site, which is within TRCA Regulation Limits and affects the developable area of the site. The site is situated in Coleraine and is in proximity to Highway No. 427.

Comparable Index 4
10223 Highway 50,
Vaughan, ON

Source: Google Maps (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	January 12, 2022.		
Sale Price:	$124,000,000.	Unit Rate ($/ dev. ac.):	$1,907,692
Consideration:	All Cash.		
Vendor:	Group Mach.		
Purchaser:	Crestpoint Real Estate Investments Ltd. & PSP Investments.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	03321-0049 (LT).
Site Area:	85.104 acres.
Developable Area:	65.0 acres.
Frontage:	1,340.85 feet along Highway 50.
Topography:	Mostly level with a generally rectangular configuration.
Site Access:	Two (2) points of ingress and egress along Highway 50.
Servicing:	Existing water and wastewater systems are not available and is approximately two (2) kilometers south of Index No.4.
Site Improvements:	The property was improved with a 1,692 square feet rural single detached residential dwelling built circa 1981 with ancillary agricultural structures. The dwelling has three (3) bedrooms and two (2) full bathrooms.

Land Use: *(Sources: City of Vaughan Official Plan, City of Vaughan Zoning-Bylaw)*

Official Plan:	Prestige Employment, General Employment and Natural Area.
Zoning:	Future Development (FD), Environmental Protection (EP) and Agriculture (A).
Applications:	N/A.

Comments:

The property is located on east side of Highway 50, in the City of Vaughan. Index No.4 is located approximately twenty-seven (27) kilometers west of the Subject Properties. A watercourse feature is located in the eastern portion of the site, which is within TRCA Regulation Limits and affects the developable area of the site. The site is situated in Coleraine and is in proximity to Highway No. 427.

Comparable Index 5
9481 Leslie Street,
Richmond Hill, ON

Source: Cushman & Wakefield (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	December 21, 2021.		
Sale Price:	$120,050,000.	Unit Rate ($/ dev. ac.):	$2,685,682
Consideration:	All Cash.		
Vendor:	An Individual(s).		
Purchaser:	GWL Realty Advisors.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	03126-0183 (LT).
Site Area:	44.703 acres.
Developable Area:	44.7 acres.
Frontage:	672.37 feet along Leslie Street and 2,992.47 feet along Orlando Avenue.
Topography:	Mostly level with a rectangular configuration.
Site Access:	One (1) point of ingress and egress along Leslie Street.
Servicing:	Existing water and wastewater systems are available to Index No.5.
Site Improvements:	The property was vacant and unimproved.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Employment Area.
Zoning:	Agricultural (A1).
Applications:	N/A.

Comments:

The property is located on the northeast corner of Leslie Street and Orlando Avenue in the City of Richmond Hill. Index No.4 is located approximately five (5) kilometers southwest of the Subject Properties. The site has Highway No. 404 exposure.

Comparable Index 6
W/S Woodbine Avenue,
Markham, ON

Source: Cushman & Wakefield (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	December 13, 2021.		
Sale Price:	$106,500,000.	Unit Rate ($/ dev. ac.):	$2,560,096
Consideration:	All Cash.		
Vendor:	China Lesso Group Holdings Limited.		
Purchaser:	Triovest.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	03052-0916 (LT).
Site Area:	45.781 acres.
Developable Area:	41.6 acres.
Frontage:	3,000.95 feet along Woodbine Avenue.
Topography:	Mostly level with a generally rectangular configuration.
Site Access:	One (1) point of ingress and egress along Mississauga Road.
Servicing:	Existing water and wastewater systems are available to Index No.6.
Site Improvements:	The property was vacant and unimproved.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Industrial.
Zoning:	Business Park (BP).
Applications:	N/A.

Comments:

The property is located on the west side of Woodbine Avenue, mid-block between Major Mackenzie Drive and Elgin Mills Road, in the City of Markham. The property is located approximately three (3) kilometers south of the Subject Properties. A watercourse feature is located in the northern portion of the site, which is within TRCA Regulation Limits and affects the developable area of the site. The site has Highway No. 404 exposure and is in close proximity to Highway No. 404.

Comparable Index 7
6967 Maritz Drive,
Mississauga, ON

Source: Cushman & Wakefield (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	June 30, 2021.		
Sale Price:	$38,577,500.	Unit Rate ($/ dev. ac.):	$2,505,032
Consideration:	All Cash.		
Vendor:	SmartCentres REIT.		
Purchaser:	Tridel.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	13214-0170 (LT).
Site Area:	15.393 acres.
Developable Area:	15.4 acres.
Frontage:	1,250.29 feet along Mississauga Road, 584.49 feet along Longside Drive and 459.36 feet along Derry Road West.
Topography:	Mostly level with a generally rectangular configuration.
Site Access:	N/A.
Servicing:	Existing water and wastewater systems are available to Index No.7.
Site Improvements:	The property was vacant and unimproved.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Office.
Zoning:	Major Office (O2).
Applications:	Subsequent to the date of sale, a Minister's Zoning Order (MZO) was issued to Index No.6, permitting film studio uses. It is our understanding that the vendor was in negotiations with the municipality prior to the date of sale regarding the MZO and the proposed development.

Comments:

The property is located on the southeast corner of Derry Road West and Maritz Drive, in the City of Mississauga. The property is located approximately forty (40) kilometers southwest of the Subject Properties. It is our understanding that the property is fully developable, subject to an Extraordinary Assumption herein.

Comparable Index 8
2833 16th Avenue,
Markham, ON

Source: Google Maps (2023)

Source: GeoWarehouse [Annotated by C&W]

Sale Details: *(Sources: Atlus Data Studio)*

Sale Date:	May 31, 2021.		
Sale Price:	$192,886,920. (50% Interest.)	Unit Rate ($/ dev. ac.):	$2,279,987
Consideration:	All Cash.		
Vendor:	Armadale Properties Limited.		
Purchaser:	Cadillac Fairview Corporation.		

Site Description: *(Sources: Atlus Data Studio, GeoWareHouse)*

PIN:	03046-0053, -0230, -0044, -0055, -0231 (LT).
Site Area:	169.285 acres.
Developable Area:	169.2 acres.
Frontage:	1,943.49 feet along 16th Avenue, 1,699.02 feet along Renfrew Drive, 510.75 feet along Allstate Parkway and 258.18 feet along Valleywood Drive.
Topography:	Mostly level with a generally rectangular configuration.
Site Access:	Two (2) points of ingress and egress along 16th Avenue, one (1) point of ingress and egress along Allstate Parkway and one (1) point of ingress and egress along Valleywood Drive.
Servicing:	Existing water and wastewater systems are available to Index No.8.
Site Improvements:	The property was improved with an airport and related structures at the time of sale.

Land Use: *(Sources: Town of Caledon Official Plan, Town of Caledon Zoning-Bylaw)*

Official Plan:	Industrial.
Zoning:	Business Park (BP).
Applications:	N/A.

Comments:

The property is located on the south side of 16th Avenue, mid-block between Highway No. 404 and Valleywood Drive, in the City of Markham. The property is located approximately six (6) kilometers south of the Subject Properties. At the time of sale, the site is home to Toronto Buttonville Municipal Airport which is mainly used for flight training purposes. The site has Highway No. 404 exposure and is in close proximity to Highway Nos. 404 and 407.

8.5 Comparable Market Index Analysis

The comparable indices provide unadjusted unit rate indications from a low of $1,630,966 (Index No. 1) to a high of $2,685,682 (Index No. 5) per developable acre, with an average of $2,194,023 and a median of $2,171,357 per developable acre.

The valuation analysis is based on Subject Property No.1 with corresponding adjustments to Subject Properties Nos. 2 and 3 after the adjustment process. Since no two properties are similar in all respects, it is necessary to consider adjustments to the comparable index prices to reflect the condition of Subject Property No.1. The following adjustments are particularly relevant in the analysis of the comparable sales, including adjustment for:

- Financing terms;
- Conditions of Sale;
- Market conditions (time);
- Location;
- Physical characteristics; and
- Economic characteristics.

The following is a summary of the adjustment to the indices based on Subject Property No.1.

Index No. 1: W/S Coleraine Drive, Brampton ($1,630,966/ dev. ac.) – This is the sale of a 25.055-acre site in the City of Brampton with 17.6 acres of developable acreage. The property was vacant and unimproved at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Downward adjustment is applied for financing terms to reflect somewhat superior vendor take-back mortgage terms;
- Upward adjustment is made to account for an inferior neighbourhood;
- Upward adjustment is applied to reflect inferior access from municipal highways;
- Upward adjustment for inferior frontage, without corner visual exposure;
- Downward adjustment on the basis of economies of scale for site size;
- Upward adjustment is made to account for configuration as a watercourse is located near the front of the property;
- Upward adjustment for inferior land use controls relative to Subject Property No.1; and
- Upward adjustment for inferior development timing.

Overall, upward adjustment is applied to Index No. 1, on a per unit basis.

Index No. 2: 3143 19th Avenue, Markham ($2,062,727/ dev. ac.) – This is the sale of Subject Property Nos. 2 and 3, a 45.861-acre site in the City of Markham with 44.4 acres of developable acreage. The property was vacant and unimproved at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Downward adjustment to reflect an unclosed Agreement of Purchase and Sale;
- Downward adjustment is made for broad market conditions;
- Upward adjustment for inferior frontage, without corner visual exposure;
- Upward adjustment on the basis of economies of scale for site size;
- Upward adjustment for inferior land use controls relative to Subject Property No.1;

- Upward adjustment for inferior development timing.

Overall, upward adjustment is applied to Index No. 2, on a per unit basis.

Index No. 3: N/S Countryside Drive, Brampton ($1,920,000/ dev. ac.) –This is the sale of a 25.057-acre site in Brampton with 22.8 acres of developable acreage. The property was vacant and unimproved at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Downward adjustment is applied for financing terms to reflect superior vendor take-back mortgage terms;
- Downward adjustment is made for broad market conditions;
- Upward adjustment is made to account for an inferior neighbourhood;
- Upward adjustment is applied to reflect inferior access from municipal highways;
- Upward adjustment for inferior land use controls relative to Subject Property No.1; and
- Upward adjustment for inferior development timing.

Overall, an upward adjustment is applied to Index No. 3, on a per unit basis.

Index No. 4: 10223 Highway 50, Vaughan ($1,907,692/ dev. ac.) –This is the sale of an 85.104-acre site in Vaughan with 65.0 acres of developable acreage. The property was improved with a rural single detached residential dwelling at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Downward adjustment is made for broad market conditions;
- Upward adjustment is made to account for an inferior neighbourhood;
- Upward adjustment on the basis of economies of scale for site size;
- Upward adjustment for inferior land use controls relative to Subject Property No.1;
- Upward adjustment for inferior development timing.

Overall, an upward adjustment is applied to Index No. 4, on a per unit basis.

Index No. 5: 9481 Leslie Street, Richmond Hill ($2,685,682/ dev. ac.) – This is the sale of a 44.703-acre site in the City of Richmond Hill with 44.7 acres of developable acreage. The property was vacant and unimproved at the date of sale. In comparison Subject Property No.1, the following adjustments have been applied:

- Downward adjustment is made for broad market conditions;
- Downward adjustment is made to account for a superior neighbourhood;
- Downward adjustment is applied to reflect superior access from municipal highways;
- Upward adjustment on the basis of economies of scale for site size;
- Downward adjustment for superior land use controls relative to Subject Property No.1; and
- Downward adjustment to reflect existing municipal servicing.

Overall, a downward adjustment is applied to Index No. 5, on a per unit basis.

Index No. 6: W/S Woodbine Avenue, Markham ($2,560,096/ dev. ac.) – This is the sale of a 45.781-acre site in the City of Markham with 41.6 acres of developable acreage. The property was vacant and unimproved at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Downward adjustment is made for broad market conditions;
- Downward adjustment is applied to reflect superior access from municipal highways;
- Downward adjustment for superior frontage, with visual exposure on Highway No.404;
- Upward adjustment on the basis of economies of scale for site size;
- Downward adjustment for superior land use controls relative to Subject Property No.1; and
- Downward adjustment to reflect existing municipal servicing.

Overall, a downward adjustment is applied to Index No. 6, on a per unit basis.

Index No. 7: 6967 Maritz Drive, Mississauga ($2,505,032/ dev. ac.) – This is the sale of a 15.393-acre site in the City of Mississauga with 15.4 acres of developable acreage. The property was vacant and unimproved at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Downward adjustment is made to account for a superior neighbourhood;
- Downward adjustment is applied to reflect superior access from municipal highways;
- Upward adjustment for inferior frontage, without prominent visual exposure;
- Downward adjustment on the basis of economies of scale for site size;
- Upward adjustment for inferior land use controls relative to Subject Property No.1; and
- Downward adjustment to reflect existing municipal servicing.

Overall, a downward adjustment is applied to Index No. 7, on a per unit basis.

Index No. 8: W/S Woodbine Avenue, Markham ($2,279,987/ dev. ac.) – This is the sale of a 169.285-acre site in the City of Markham with 169.2 acres of developable acreage. The property was improved with an airport at the date of sale. In comparison with Subject Property No.1, the following adjustments have been applied:

- Upward adjustment is applied to reflect the transfer of 50% interest;
- Downward adjustment is applied to reflect superior access from municipal highways;
- Downward adjustment for superior frontage, with visual exposure on Highway No.404;
- Upward adjustment on the basis of economies of scale for site size;
- Upward adjustment is made to account for an irregular configuration;
- Downward adjustment for superior land use controls relative to Subject Property No.1; and
- Downward adjustment to reflect existing municipal servicing.

Overall, a slight upward adjustment is applied to Index No. 8, on a per unit basis.

CUSHMAN & WAKEFIELD

Order of Magnitude Adjustment Legend

1214

Description	Indication	From	To
Similar	↔	0.0%	+/- 2.5%
Somewhat Inferior / Superior	↑ / ↓	+/- 2.5%	+/- 4.0%
Inferior / Superior	↑ / ↓	+/- 5.0%	+/- 14.0%
Inferior / Superior	↑↑ / ↓↓	+/- 15.0%	+/- 24.0%
Very Inferior / Superior	↑↑ / ↓↓	+/- 25.0%	+/- 29.0%
Very Inferior / Superior	↑↑↑ / ↓↓↓	> +/- 30.0%	

8.6 Comparable Index Adjustment Grid

3143 19th Avenue, Markham
Comparable Sales Adjustment Grid
As at September 24, 2023

Comparable No.	**Subject**	**Land Index No. 1**	**Land Index No. 2**	**Land Index No. 3**	**Land Index No. 4**
Site Description					
Street Address	3143 19th Avenue,	W/S Coleraine Drive,	3143 19th Avenue,	N/S Countryside Drive,	10223 Highway 50,
Municipality	Markham	Brampton, ON	Markham, ON	Brampton, ON	Vaughan, ON
Developable Area (Ac.)	SP1: 27.91 SP2: 17.40 SP3: 17.27	17.60	34.66	25.00	65.00
Transaction Description					
Sale Date	Sep 24, 2023	July 21, 2023	April 30, 2022	April 11, 2022	January 12, 2022
Financing Terms		70% VTB	All Cash	42% VTB	All Cash
Sale Price		$28,705,000	$71,496,187	$48,000,000	$124,000,000
Unadjusted Unit Rate ($/ac)		$1,630,966	$2,062,727	$1,920,000	$1,907,692

Adjustments	Land Index No. 1		Land Index No. 2		Land Index No. 3		Land Index No. 4	
Property Rights Conveyed	Similar	↔	Similar	↔	Similar	↔	Similar	↔
Financing Terms	Somewhat Superior	↓	Similar	↔	Superior	↓	Similar	↔
Conditions of Sale	Similar	↔	Superior	↓	Similar	↔	Similar	↔
Market Conditions	Similar	↔	Superior	↓	Superior	↓	Superior	↓
Location Characteristics								
Neighbourhood	Inferior	↑	Similar	↔	Inferior	↑	Inferior	↑
Access	Inferior	↑	Similar	↔	Inferior	↑	Similar	↔
Frontage	Inferior	↑	Inferior	↑	Similar	↔	Similar	↔
Overall Location Characteristics	Very Inferior	↑↑	Inferior	↑	Inferior	↑↑	Inferior	↑
Physical Characteristics								
Size	Superior	↓	Inferior	↑	Similar	↔	Inferior	↑
Configuration	Inferior	↑	Similar	↔	Similar	↔	Similar	↔
Overall Physical Characteristics	Similar	↔	Inferior	↑	Similar	↔	Inferior	↑
Economic Characteristics								
Land Use Controls	Inferior	↑	Inferior	↑	Inferior	↑	Inferior	↑
Development Timing	Inferior	↑↑	Inferior	↑	Inferior	↑↑	Inferior	↑
Other Development Considerations	Similar	↔	Similar	↔	Similar	↔	Similar	↔
Servicing	Similar	↔	Similar	↔	Similar	↔	Similar	↔
Overall Economic Characteristics	Inferior	↑↑	Inferior	↑↑	Inferior	↑↑	Inferior	↑
Overall Adjustment	**Very Inferior**	↑↑↑	**Inferior**	↑	**Inferior**	↑↑	**Inferior**	↑↑

CUSHMAN & WAKEFIELD

1215

Order of Magnitude Adjustment Legend

Description	Indication	From	To
Similar	↔	0.0%	+/- 2.5%
Somewhat Inferior / Superior	↑ / ↓	+/- 2.5%	+/- 4.0%
Inferior / Superior	↑ / ↓	+/- 5.0%	+/- 14.0%
Inferior / Superior	↑↑ / ↓↓	+/- 15.0%	+/- 24.0%
Very Inferior / Superior	↑↑ / ↓↓	+/- 25.0%	+/- 29.0%
Very Inferior / Superior	↑↑↑ / ↓↓↓	> +/- 30.0%	

3143 19th Avenue, Markham
Comparable Sales Adjustment Grid
As at September 24, 2023

Comparable No.	**Subject**	**Land Index No. 5**		**Land Index No. 6**		**Land Index No. 7**		**Land Index No. 8**	
Site Description									
Street Address	3143 19th Avenue,	9481 Leslie Street,		W/S Woodbine Avenue,		6967 Maritz Drive,		2833 16th Avenue,	
Municipality	Markham	Richmond Hill, ON		Markham, ON		Mississauga, ON		Markham, ON	
Developable Area (Ac.)	SP1: 27.91 SP2: 17.40 SP3: 17.27	44.70		41.60		15.40		169.20	
Transaction Description									
Sale Date	Sep 24, 2023	December 21, 2021		December 13, 2021		June 30, 2021		May 31, 2021	
Financing Terms		All Cash		All Cash		All Cash		All Cash	
Sale Price		$120,050,000		$106,500,000		$38,577,500		$192,886,920	
Unadjusted Unit Rate ($/ac)		$2,685,682		$2,560,096		$2,505,032		$2,279,987	
Adjustments									
Property Rights Conveyed		Similar	↔	Similar	↔	Similar	↔	Inferior	↑
Financing Terms		Similar	↔	Similar	↔	Similar	↔	Similar	↔
Conditions of Sale		Similar	↔	Similar	↔	Similar	↔	Similar	↔
Market Conditions		Somewhat Superior	↓	Somewhat Superior	↓	Similar	↔	Similar	↔
Location Characteristics									
Neighbourhood		Superior	↓	Similar	↔	Superior	↓	Similar	↔
Access		Somewhat Superior	↓	Somewhat Superior	↓	Superior	↓	Somewhat Superior	↓
Frontage		Similar	↔	Superior	↓	Inferior	↑	Superior	↓
Overall Location Characteristics		Superior	↓	Superior	↓	Somewhat Superior	↓	Superior	↓
Physical Characteristics									
Size		Inferior	↑	Inferior	↑	Superior	↓	Inferior	↑↑
Configuration		Similar	↔	Similar	↔	Similar	↔	Inferior	↑
Overall Physical Characteristics		Inferior	↑	Inferior	↑	Superior	↓	Very Inferior	↑↑
Economic Characteristics									
Land Use Controls		Superior	↓	Superior	↓	Inferior	↑	Superior	↓
Development Timing		Similar	↔	Similar	↔	Similar	↔	Similar	↔
Other Development Considerations		Similar	↔	Similar	↔	Similar	↔	Similar	↔
Servicing		Superior	↓	Superior	↓	Superior	↓	Superior	↓
Overall Economic Characteristics		Superior	↓↓	Superior	↓	Somewhat Inferior	↑	Superior	↓↓
Overall Adjustment		**Superior**	↓↓	**Superior**	↓	**Superior**	↓	**Somewhat Inferior**	↑

The Adjustment Grid on the previous page provides a summary of the foregoing adjustments. It is noted that we have adopted the sequence of adjustment as demonstrated in the Appraisal of Real Estate, Third Canadian Edition. It is noted that the directional indications reflect measures of magnitude based on a blend of quantitative analysis, where possible, and professional judgement of the Appraiser.

After all adjustments to reflect comparability with Subject Property No. 1, the comparable indices provide adjusted unit rate indications in the range of $2,200,000 to $2,400,000 per acre of developable area. Based on our analysis of the market evidence, and the characteristics of Subject Property No.1, its location, physical and economic characteristics and overall market conditions, it is our opinion that the Market Value of the Fee Simple Interest of the Subject Property No.1 is indicated in adjusted range. In our opinion, a unit rate in the range of $2,200,000 to $2,400,000 per acre of developable acre is considered reasonable and appropriate for Subject Property No.1.

A 5% discount is applied to the unit rate for the valuation of Subject Property No. 2, reflecting its inferior range of uses as compared with Subject Property No.1. In our opinion, a unit rate in the range of $2,090,000 to $2,280,000 per acre of developable acre is considered reasonable and appropriate for Subject Property No.2.

A 15% discount is applied to the unit rate for the valuation of Subject Property No. 3, reflecting its inferior block position being further away from existing urban areas with corresponding longer development timing, as well its inferior range of uses as compared with Subject Property No.1. In our opinion, a unit rate in the range of $1,870,000 to 2,040,000 per acre of developable acre is considered reasonable and appropriate for Subject Property No.3.

Based on the foregoing analysis, the valuation of the Subject Properties by the Direct Comparison Approach is summarized as follows:

Valuation by Direct Comparison Approach for Subject Property No. 1			
Market Value per Unit:	$2,200,000 / dev. ac.	to	$2,400,000 / dev. ac.
Developable Acreage:	27.91 ac.		27.91 ac.
Valuation By Direct Comparison:	$61,402,000		$66,984,000
Valuation By Direct Comparison (rounded):	**$61,400,000**		**$66,980,000**

Valuation by Direct Comparison Approach for Subject Property No. 2			
Market Value per Unit:	$2,090,000 / dev. ac.	to	$2,280,000 / dev. ac.
Developable Acreage:	17.40 ac.		17.40 ac.
Valuation By Direct Comparison:	$36,366,000		$39,672,000
Valuation By Direct Comparison (rounded):	**$36,370,000**		**$39,670,000**

Valuation by Direct Comparison Approach for Subject Property No. 3			
Market Value per Unit:	$1,870,000 / dev. ac.	to	$2,040,000 / dev. ac.
Developable Acreage:	17.27 ac.		17.27 ac.
Valuation By Direct Comparison:	$32,294,900		$35,230,800
Valuation By Direct Comparison (rounded):	**$32,290,000**		**$35,230,000**

Section 9.0 Conclusions

9.0 Conclusions

9.1 Final Estimates of Market Value

Based on the research, investigations, and analysis described in the accompanying report, it is our opinion that the Market Value of the Fee Simple Interests of the respective Subject Properties, as at September 24, 2023, is in the range of:

Final Estimates of Market Value

	From	To
Subject Property No.1 **(PIN No. 03055-0377)**	**$61,400,000** **($2,200,000/dev.ac.)**	**$66,980,000** **($2,400,000/dev.ac.)**
Subject Property No.2 **(PIN No. 03055-0380)**	**$36,370,000** **($2,090,000/dev.ac.)**	**$39,670,000** **($2,280,000/dev.ac.)**
Subject Property No.3 **(PIN No. 03055-0379)**	**$32,290,000** **($1,870,000/dev.ac.)**	**$35,230,000** **($2,040,000/dev.ac.)**
Total	**$130,060,000** **(app. $2,080,000/dev.ac.)**	**$141,880,000** **(app. $2,270,000/dev.ac.)**

Subject to the Extraordinary Assumptions, Engagement Parameters, and Ordinary Assumptions & Limiting Conditions. See Page 9 herein.
Reasonable Exposure Time is estimated to be six (6) to twelve (12) months preceding the Effective Date herein.

9.2 Reasonable Exposure Time

Exposure time is estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimate of Market Value on the Effective Date of appraisal. For the purposes of estimating reasonable exposure time, we have investigated sales of employment development land that exhibit similar characteristics as the Subject Property in the local marketplace and spoke to local brokers. Based on our research and investigations, a reasonable exposure time for a sale of the Subject Property is estimated to be six (6) to twelve (12) months preceding the Effective Date herein.

Section 10.0 Certification

10.0 Certification

Certification of Appraisal

I certify that, to the best of my knowledge and belief that:

1.0 The statements of fact contained in this report are true and correct;

2.0 The reported analyses, opinions and conclusions are limited only by the reported Extraordinary Assumptions, Hypothetical Conditions, and the Ordinary Assumptions and Limiting Conditions, and are my personal, unbiased professional analyses, opinions and conclusions;

3.0 I have no present or prospective interest in the property that is the subject of this report, and no personal and/or professional interest or conflict with respect to the parties involved with this assignment;

4.0 I have no bias with respect to the properties that are the subject of this report or to the parties involved with this assignment;

5.0 My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimates, a conclusion favouring the client, or the occurrence of a subsequent event;

6.0 My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with CUSPAP;

7.0 I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;

8.0 Dominic Cheung, Candidate Member of the Appraisal Institute of Canada, provided significant professional assistance to the person signing this report with all items listed in the Scope of Work;

9.0 As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program; and

10.0 The undersigned is a member in good standing of the Appraisal Institute of Canada.

Subject Properties

Municipal Address:	3143 19th Avenue
City:	Markham
Province:	Ontario
Postal Code:	L6C1L8
Legal Description:	Subject Property No.1 PART LOT 30 CONCESSION 4 DESIGNATED AS PARTS 8 AND 9 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1 TO 3 INCLUSIVE PLAN65R39880 AS IN YR3454770 CITY OF MARKHAM. Subject Property No.2 PART LOT 30, CONCESSION 4, PARTS 2, 6 & 7 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 4 & 5 PLAN 65R39880 AS IN YR3455770 CITY OFMARKHAM. Subject Property No.3 PART LOT 30, CONCESSION 4, PARTS 1, 4 & 5 PLAN 65R39839 SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 7 & 8 PLAN 65R39880 & PART 2 PLAN 65R39948 AS IN YR3455770 CITY OF MARKHAM.

Final Estimates of Market Value

Having carefully considered the characteristics of the Subject Properties and the general market conditions, it is our opinion that the Market Value of the Fee Simple Interest of the respective Subject Properties, as at September 24, 2023, is in the range of:

Final Estimates of Market Value

	From	To
Subject Property No.1 **(PIN No. 03055-0377)**	**$61,400,000** **($2,200,000/dev.ac.)**	**$66,980,000** **($2,400,000/dev.ac.)**
Subject Property No.2 **(PIN No. 03055-0380)**	**$36,370,000** **($2,090,000/dev.ac.)**	**$39,670,000** **($2,280,000/dev.ac.)**
Subject Property No.3 **(PIN No. 03055-0379)**	**$32,290,000** **($1,870,000/dev.ac.)**	**$35,230,000** **($2,040,000/dev.ac.)**
Total	**$130,060,000** **(app. $2,080,000/dev.ac.)**	**$141,880,000** **(app. $2,270,000/dev.ac.)**

Subject to the Extraordinary Assumptions, Engagement Parameters, and Ordinary Assumptions & Limiting Conditions. See Page 9 herein. Reasonable Exposure Time is estimated to be six (6) to twelve (12) months preceding the Effective Date herein.

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Michael Parsons, MBA, AACI, P.App, PLE
Senior Vice President
Canada Practice Lead │ Dispute Analysis & Litigation Support
Valuation & Advisory

AIC Designation: Accredited Appraiser Canadian Institute (AACI)
Member Number: 904831
Date of Report/Date Signed: September 27, 2023
Personally Inspected the Subject Property: Yes
Date of Inspection: September 24, 2023
Source of Digital Signature: Adobe Sign
Note: For this appraisal to be valid, an original or password protected digital signature is required.

Section 11.0 Appendices

11.0 Appendices

Appendix A – Qualifications of the Expert

Michael Parsons MBA, AACI, P.App, PLE

Professional Qualifications and Memberships

Accredited Appraiser, Appraisal Institute of Canada (AACI)

Professional Land Economist, Ontario Association of Land Economists (PLE)

Member of the Ontario Expropriation Association

Member of the Urban Land Institute

Michael is the leader of the Dispute Analysis & Litigation Support practice in Canada for Cushman & Wakefield. The Dispute Analysis & Litigation Support practice combines due diligence, finance and real estate expertise in providing comprehensive support in commercial real estate matters.

In his practice, Michael has prepared appraisals, technical reviews, and provided consulting on a wide array of real estate and related matters on behalf of legal counsel, developers, investors, private and public entities, financial institutions, and government agencies.

Scope of Practice

Property Types Appraised - Industrial, office, retail, hotel, and multi-family properties; residential, employment, retail, and mixed-use development land; residential dwellings, agricultural and conservation land, and special use properties.

Interests Appraised - Fee simple, leased fee, leasehold, ground lease, market rent, partial takings, temporary and permanent easements, disturbance damages and injurious affection.

Purposes of Appraisal - Arbitration, litigation, expropriation, lease renewal, acquisition/disposition due diligence, professional liability and financial reporting.

Professional Experience

Cushman & Wakefield - Senior Vice President	2021 - Present
Duff & Phelps Real Estate Advisory Group – VP/Director	2018 – 2021
Altus Group Expert Services - Senior Consultant	2015 – 2018
GE Capital Real Estate - Commercial Mortgage Underwriter	2014 – 2015
Integris Real Estate Counsellors - Senior Consultant	2007 – 2014

Education

Master of Business Administration (MBA) — 2013 – 2016
University of Toronto - Rotman School of Management
- Majors in Real Estate and Investment Banking

Diploma in Urban Land Economics (DULE) — 2005 – 2010
University of British Columbia - Sauder School of Business
- Specializations in Real Estate Appraisal and Development

Bachelor of Environmental Studies, Honours Urban and Regional Planning (B.E.S., Hons) — 2002 – 2006
University of Waterloo - School of Planning
- Specialization in Land Development Planning and Business Option through Wilfrid Laurier University

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Appendix B – Ordinary Assumptions and Limiting Conditions

The Report has been made subject to the following assumptions and limiting conditions:

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This Current Narrative Appraisal is prepared at the request of the Client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the Client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the Client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all Intended User(s) is assumed.

2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the Market Value estimate expressed as at the effective date of appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.

3. The appraiser will not be responsible for matters of a legal nature that affect either the properties being appraised or the title to them. A registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this Current Narrative Appraisal. The properties are appraised on the basis of its being under responsible ownership.

4. The Subject Properties is presumed to comply with government regulations including zoning, building codes and health regulations and, if it does not comply, its non-compliance may affect Market Value.

5. No survey of the Properties has been made. Any sketches in the appraisal Current Narrative Appraisal show approximate dimensions and are included only to assist the reader of the report in visualizing the Properties.

6. This Current Narrative Appraisal is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.

7. Unless otherwise stated in this Current Narrative Appraisal, the appraiser has no knowledge of any hidden or unapparent conditions of the properties (including, but not limited to, soils, physical structure, mechanical or other operating systems, foundation, etc.) or adverse environmental conditions (on site or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the properties more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This Current Narrative Appraisal should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the properties, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soils is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the Market Value of the properties appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the properties are assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the Market Value of the properties appraised. If the party relying on this report requires information about environmental issues, then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the Market Value of the Subject Properties.

9. The analyses set out in this Current Narrative Appraisal relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.

10. The term “inspection” refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.

11. The opinion of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.

12. The contents of this Current Narrative Appraisal are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this Current Narrative Appraisal except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this Current Narrative Appraisal, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.

13. The appraiser has agreed to enter into the assignment as requested by the client named in the Current Narrative Appraisal for the use specified by the Client, which is stated in the report. The Client has agreed that the performance of this appraisal and the Current Narrative Appraisal format are appropriate for the Intended Use.

14. Written consent from the author must be obtained before any part of the Current Narrative Appraisal can be used for any use by anyone except the Client and other Intended Users identified in the Current Narrative Appraisal. Where the client is the mortgagee and the loan are insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.

15. This Current Narrative Appraisal form is the property of the Appraisal Institute of Canada (AIC) and for use

only by AIC members in good standing. Use by any other person is a violation of AIC copyright. This Current Narrative Appraisal, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this Current Narrative Appraisal, addendum, all attachments and the data contained within for any commercial, or other, use.

16. If transmitted electronically, this Current Narrative Appraisal will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

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Court File No. CV-23-00703161-00CL
Court of Appeal File No. COA-23-CV-1129

ROMSPEN INVESTMENT CORPORATION -and- **TUNG KEE INVESTMENT CANADA LTD. et al.**

Applicant | Respondents

COURT OF APPEAL FOR ONTARIO

MOTION RECORD OF THE MOVING PARTY, ERNST & YOUNG INC.
[Volume 3 of 4]

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